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No. R-1

# **Hansard**

## **Official Report of Debates**

### **Legislative Assembly of Ontario**

**Standing Committee on Resources Development**  
Estimates, Ministry of the Environment

**Third Session, 32nd Parliament**  
Thursday, June 16, 1983

Speaker: Honourable John M. Turner  
Clerk: Roderick Lewis, QC

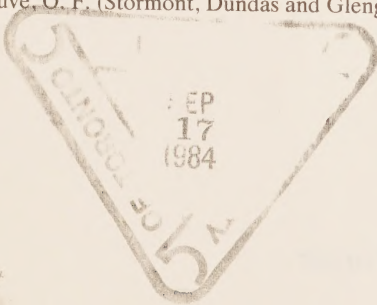
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# LEGISLATIVE ASSEMBLY OF ONTARIO

## STANDING COMMITTEE ON RESOURCES DEVELOPMENT

Thursday, June 16, 1983

The committee met at 8:05 p.m. in room 151.

### ESTIMATES, MINISTRY OF THE ENVIRONMENT

**Mr. Chairman:** Okay, members, I think we are ready to proceed with the estimates of the Ministry of the Environment. Before we do that, there is one item of business we must tidy up.

For the benefit of the two members who have not served on this committee before, you can help us with our decision-making here, that is, establishing a budget for this committee, which we have to present before the Board of Internal Economy on Monday?

**Mr. Elston:** Zero.

**Mr. Chairman:** Zero? You have to vote on it.

**Mr. Charlton:** I will tell you what, Mr. Chairman. We will give you \$1 for every concession the minister gives us during the course of these estimates.

**Mr. Chairman:** The minister suggests that we pass both items at the same time.

The committee will have to meet throughout the summer, as you know, on writing the Weiler report. We put down an allowance for 20 days, which is basically four weeks. Obviously, we do not have to use it all. I hope we will only use about half of it.

Coffee is surely in here, Mr. Clerk, is it, under catering services? Could I have a motion?

Mr. Piché moves that the budget be approved in the amount of \$81,420.

Motion agreed to.

**Mr. Piché:** It should be pointed out that the catering service is a little high, but we will not go into details tonight.

**Hon. Mr. Norton:** That is because they were expecting you to be in attendance.

**Mr. Chairman:** All right, gentlemen. Before getting into the estimates, Mr. Norton might have one or two words to say to us.

**Mr. Elston:** Before we get into the statement, I understand the thoughts are that we will still be getting out of here some time next week. How are we to organize our business in terms of the committee time? I think that is an important

consideration. There is seven and a half hours, as I understand it.

**Mr. Chairman:** That is really about all the time we can meet. We meet tonight, Tuesday night and Thursday night of next week. Mr. Weiler is coming back on Wednesday morning, Mr. Sweeney, as you were not aware, so we will not be meeting on these estimates.

**Mr. Sweeney:** Someone told me that last Thursday. I was here, and you were not here.

**Mr. Chairman:** You ask the official critic for the committee.

**Mr. Sweeney:** I was not the only one. There were four other people, including the Hansard reporter.

**Mr. Elston:** Is there also a chance that we may not be meeting next Thursday? Do we know what our schedule is like? Are we only going to get into our opening statements?

**Mr. Chairman:** I do not know. I guess it depends on what we can get done in three sessions.

**Mr. Elston:** So we are going to have three sessions?

**Mr. Chairman:** I think we will definitely have Thursday night. I think the guessing now is that we are going to be here at least on Friday, so we might as well meet on Thursday night.

**Mr. Elston:** I would like to move that we do not rehear the minister's opening statement in the fall.

**Hon. Mr. Norton:** Well, I might have some update.

**Mr. Sweeney:** It will take all three sessions to explain what you have been doing.

**Mr. Elston:** As far as we know, we are going to have three sessions?

**Mr. Chairman:** Three sessions, yes.

**Mr. Charlton:** Mr. Chairman, just before the minister starts, I would very much like the record to show that this critic is very pleased that the minister's staff wrote his opening statement, and not the minister. The 105 pages would have been 315 if the minister had written it.

**Mr. Dean:** That is an expression of opinion.

**Hon. Mr. Norton:** It does allow for some ad libbing along the way.

**Mr. Chairman:** Everyone try to stay awake. Away you go.

**Hon. Mr. Norton:** What kind of an introduction is that?

**Mr. Piché:** You need some encouragement.

**Hon. Mr. Norton:** That is right. What kind of encouragement is it when you introduce me by telling everyone not to fall asleep?

**Mr. Sweeney:** He has been listening to your answers in the House, Keith.

**Hon. Mr. Norton:** If you want copies, you may have them.

**Mr. Sweeney:** What difference does it make?  
8:10 p.m.

**Hon. Mr. Norton:** Okay. I just do not want you to run into the hall and read it on your own, or anything like that.

**Mr. Elston:** If it is really 105 pages, I may.

So, are you planning on taking the the full two and a half hours or so?

**Hon. Mr. Norton:** I do not know. It depends on how quickly we go.

**Mr. Sweeney:** The committee is in the habit of asking witnesses to summarize their briefs instead of reading them.

**Hon. Mr. Norton:** I will summarize at the conclusion of my remarks. How is that?

**Mr. Chairman:** Mr. Norton? Whenever you are ready, sir. I think that we all have our rendition.

**Hon. Mr. Norton:** Prepare yourselves for a trek into the exciting and challenging world of the environment.

**Mr. Charlton:** We have these green covers registered and so on, because you may be in conflict now. The Green Party, I understand, was created last weekend.

**Hon. Mr. Norton:** Mr. Chairman, I am pleased to have this opportunity to report to the honourable members that, in the proper spirit of economic restraint, the ministry is prepared to continue providing a wide range and high level of services for less money.

Interjections.

**Hon. Mr. Norton:** That was the executive summary. Here we go.

My staff assures me that, largely as a result of changing priorities, we will meet our performance targets with a total budget for 1983-84 of

\$314 million, or a reduction of \$32 million from the previous fiscal year. The \$32-million reduction was accomplished only after an exhaustive study of commitments and examination of priorities.

The disbursement account was reduced by \$31 million. These funds are used for the construction of provincially owned and operated water and sewage works in the province. The \$69 million allocated for 1983-84 will just be adequate to provide for carryover costs of projects presently under construction.

No new disbursement projects are scheduled at the present time. The possibility of new construction is not precluded, however, in which event a budgetary adjustment would be necessary.

Upfront grant assistance was reduced by \$3 million. This program assists municipalities undertaking their own construction. The \$61 million allocated was sufficient to accommodate the bulk of municipal requests for assistance in this fiscal year. With the additional \$7.9 million recently provided by the Treasurer (Mr. F. S. Miller) for job creation, the ministry expects to be able to undertake a first-rate municipal assistance program in this fiscal year.

Programs are being reorganized to meet new conditions and priorities. A proposal is being developed to simplify and integrate our grant programs to assist in the construction of municipal water and sewage works. The changes will lead to more cost-effective design and construction, and help municipalities obtain a better idea of their share of costs in advance of the project development.

We are also paying special attention to the important matter of keeping our existing water and sewage systems in good condition. Circumstances in Great Britain, continental Europe and the older urban areas of North America offer a warning. Some of the older systems in these regions, many installed more than a century ago, are collapsing and causing serious disruption of services. Costs of essential rehabilitation will be very large.

To forestall the same problem occurring in Ontario, we have undertaken an examination of the older systems in the province. Costs involved in developing effective programs of renewal will be identified.

We are maintaining a high level of activity in such environmental protection programs as those dealing with acid rain and contamination of the Niagara River. A large item in the same category is the operation of provincially owned water and sewage treatment plants.

Environmental research is up \$500,000 to \$2.3 million. Operation of water and sewage treatment plants is up \$7.6 million, to \$67.9 million.

In summary, through its planning process the ministry has been able to take advantage of a temporary lull in municipal construction to impose a reduction in expenditures and so provide for certain high-priority items and contribute to the government's budget restraint.

**Mr. Elston:** It increased your statement by 50 pages.

**Hon. Mr. Norton:** That was in order to explain in detail how we cut back in other areas.

Just one year ago I announced in the Legislature an ambitious plan for the reorganization of the Ministry of the Environment to meet the challenges of the 1980s. Today, it gives me some measure of satisfaction to report that the reorganization is now substantially complete.

Ministry efforts during the 1960s and 1970s were primarily directed towards control of the traditional pollutants, which are now largely regulated and will basically only require the maintenance of existing programs. Ontario's investments in water and sewage treatment facilities have paid large dividends in the protection of our waterways and drinking water. Air pollution control measures have significantly improved air quality and our solid waste practices have improved markedly.

However, a new awareness of potential health effects and environmental impacts of many pollutants imposes a new set of challenges. For instance, a number of pollutants now of concern could not previously be identified at very low concentrations.

The ministry also has increasing concern over diffuse or hard-to-control sources of pollution that were not previously regulated. It is increasingly realized that regulation involves the difficult evaluation of risks and the proper assessment of benefits and costs.

These new circumstances have led the ministry to reconsider its corporate mandate. As a result, the ministry has adopted the following goal statement: to achieve and maintain a quality of the environment, including air, water and land, that will protect human health and the ecosystem and will contribute to the wellbeing of the people of Ontario.

The reorganization has been designed to improve the ministry's ability to deal effectively with the minuscule amounts of potentially dangerous materials newly detected by vastly improved analytical techniques; deal effectively with damages caused by long-range transport of

pollutants across international boundaries; continue its successful fight against traditional forms of water, air and land pollution—

**Mr. Elston:** Your adjectives seem a little bit out of whack with what is happening?

**Hon. Mr. Norton:** I do not think so at all. My goodness, we can get into a rather extended discussion of that either right now, or, if you prefer, when we get into that vote and item.

**Mr. Chairman:** Perhaps we should wait until the vote and item.

**Hon. Mr. Norton:** Thank you, Mr. Chairman.

**Mr. Sweeney:** That is just a red flag.

**Hon. Mr. Norton:** I noted that.

Interjections.

**Hon. Mr. Norton:** To continue: it is to improve the public's input into the development of environmental standards.

In order to meet these newly recognized needs and to put greater focus on the regulation of discharges to the environment, the ministry required an improved and future-oriented organization. A new organizational structure for the ministry is now effectively in place. It may be summarized briefly as follows.

Reporting directly to the deputy minister are four major divisions: an environmental planning division; an intergovernmental relations and strategic projects division; a regional operations division; and a finance and administration division.

As well, a policy and planning branch evaluates the ministry's policies, programs and resource needs, and co-ordinates the effective management and efficient utilization of ministry resources. In this respect, let me spend just a moment on our management standards and improvement project, which is essentially to improve management practices in order to meet environmental challenges in the most effective and efficient manner.

Specific provision has been made for the development and introduction of a strategic planning process, improvement of the policy development process and the improvement of the operational planning process. This will improve the ministry's capabilities to anticipate and plan for longer-range environmental needs. It will allow us to reallocate resources to meet emerging environmental needs, while also assisting us in tailoring existing programs to meet current environmental needs more closely.

The ministry has had in place since 1979 formal processes to develop and approve minis-

try policy. The initial task that was given to the various branches was to review and formalize the existing guidelines and procedures that are still of interest. This task is well under way and has resulted in the policies contained in the Manual of Environmental Policies and Guidelines. These are available to the public on request.

**8:20 p.m.**

The second task, which is an ongoing ministry responsibility, is to develop new policies where they are needed to improve the overall operation of the organization, and to provide guidance to staff. These newer policies are being produced and distributed periodically.

We are pleased to report that the policies pertaining to environmental considerations and land use have been accorded great respect by the Ontario Municipal Board. I believe this indicates the high quality of product that the ministry is producing. I am hopeful that where our other areas of policy are scrutinized by external agencies, or by the general public, the same kind of respect will be evident.

While it would be quite unrealistic to expect that all parties affected by ministry policy will be in agreement on every policy issue, I am hopeful that the public and other interested parties will be able to give the ministry's policies and programs the support I feel they deserve.

I should include in that, perhaps more specifically—other than just lumping everybody together as just “interested parties”—particularly the opposition members of the Legislature.

**Mr. Elston:** We will give it our undivided attention, if not support.

**Hon. Mr. Norton:** Thank you.

I will sketch for you what reorganization means in terms of those services which perhaps have the highest public visibility. The internal details, while vitally important to us, are not generally the focus of public attention.

I mentioned our new environmental planning division. Its role is to develop plans and programs which will protect air quality, protect surface and ground water quality and quantity, manage wastes, ensure an adequate quality of drinking water, and promote the consideration of the environment in the planning and development of undertakings.

The environmental planning division consists of six branches: an air resources branch; a water resources branch; a waste management branch; a hazardous contaminants and standards branch;

an environmental assessment branch; and a laboratory services and applied research branch.

The other umbrella structure in my ministry's reorganization is the intergovernmental relations and strategic projects division, whose role it is to co-ordinate the ministry's approach to designated critical issues and to orchestrate its intergovernmental activities. The division provides a responsive structure to deal with designated issues which have a high profile and require a co-ordinated and integrated action across a number of ministry branches. It assists in the development of the ministry's position to resolve pollution problems that are shared with other jurisdictions, both nationally and internationally.

**Mr. Sweeney:** That has a familiar ring. It sounds like the Ministry of Community and Social Services' reorganization. Is that what happens every time you change ministries?

**Hon. Mr. Norton:** I do not want to establish a reputation for that. It seems to have been characteristic—

**Mr. Sweeney:** I have been through this once before with this guy.

**Hon. Mr. Norton:** It develops bilateral and multilateral agreements with other jurisdictions in support of the ministry's ongoing control strategies.

**Mr. Elston:** Does that segment of your ministry deal interministerially, through your government as well, to co-ordinate programs?

**Hon. Mr. Norton:** It does, but not only that one, on certain strategic issues. There are other mechanisms as well for interministerial liaison.

**Mr. Elston:** And does it have carriage of those items which are highlighted as environmental issues, strategically through other ministries that may be involved; for instance, with Natural Resources and Agriculture and Food?

**Hon. Mr. Norton:** Not necessarily through that division. For example, if it were an issue related to environmental assessment it would not go through that division; it would go through the planning division.

Depending upon the nature of the specific issue, it could be the direct responsibility of the division in question, often through the mechanism of interministerial task forces that are set up.

**Mr. Elston:** So they deal with strategic planning in every other planning area, except intraministerial relations?

**Hon. Mr. Norton:** Yes. Where they would be most likely to play that role would be the specific issue as across the normal lines of accountability within the ministry.

For example, one issue that comes to mind, although it would not necessarily be so in this case, is something like acid rain, which would not necessarily be an interministerial problem.

**Mr. Elston:** — Energy to Environment?

**Hon. Mr. Norton:** Well, sure.

**Mr. Elston:** And also Natural Resources?

**Hon. Mr. Norton:** Or the Niagara River situation, where there are a variety of areas within the ministry where the expertise rests that have responsibility for some part of that. That, then, would fall under the responsibility of the associate deputy minister who is responsible for that division.

I tend to think of it as a grid system, where we have the line responsibilities under two assistant deputy ministers. The associate deputy minister has specific responsibilities, but he also feeds the costs in terms of co-ordinating activities that involve people from both of the other divisions.

**Mr. Sweeney:** It sounds like Ontario Hydro.

**Mr. Elston:** It sounds a little like tic-tac-toe.

**Hon. Mr. Norton:** It is only if you step between the lines that you get into that.

**Mr. Piché:** Is it possible that we could have these questions answered at the end? With 105 pages here, we have a long way to go, and we could be on a very dangerous course right now. Keep in mind that the minister sometimes likes to answer in a long way.

Interjections.

**Mr. Piché:** With all due respect to the minister, I think that if we can go through this, we can ask our questions afterwards, and we can have a good discussion. Otherwise, if the minister is going to be interrupted after every 10 pages, we could run into some problems.

**Mr. Elston:** I apologize that this statement does lack detail.

**Hon. Mr. Norton:** That is all we are doing, René, adding more detail. Maybe we can do that as we go along.

**Mr. Chairman:** Point well taken, though, Mr. Piché.

Okay, top of page 13.

**Hon. Mr. Norton:** Its mandate is dynamic. It is currently composed of two offices and three strategic projects, as follows: the intergovernmental relations office; the emergency response

co-ordination office; the acid precipitation project; the Niagara River improvement project; and the waste disposal site project, which expanded into the Blueprint for Waste Management, about which I will say more later.

I will provide a brief description of the regional operations division, which is the compliance and delivery arm of the ministry. Its job is to enforce regulations, control emissions and deliver abatement programs in accordance with plans and policies developed by the environmental planning division.

The role of the regional operations division is to deliver programs to protect air quality; protect surface and ground water quality and quantity; manage the disposal of wastes; ensure an adequate quality of drinking water; and control the use of pesticides.

The division consists of six regions and one head office branch. The six regions are as listed on the sheet before you. I will not read through each of those.

The responsibilities of the regions are: to administer programs for the regulation of pollution sources; to administer regulations for the proper construction and operation of water wells; to administer plans and policies for the proper development, operation and closure of waste disposal sites and the proper operation of waste management systems; to manage and operate ministry water and sewer plants and systems; to monitor the quality of the natural environment; to respond to public complaints and environmental emergencies; to review land use plans in order to encourage environmental safeguards in land development; to evaluate environmental assessments of proposed undertakings and monitor environmental assessment conditions; to administer regulatory programs for water use, to provide for a fair sharing of available resources and maintenance of water supplies; to monitor and investigate discharges to the environment; to contribute to water management plans which will allow for multiple water uses; and to administer programs for the control of noise.

The environmental approvals and project engineering branch has a multiple role. This role is as follows: to review and process applications required under the Environmental Protection Act and the Ontario Water Resources Act; to promote the consideration of the environment in land use policies and programs, and to encourage the development of a water supply and sewage treatment infrastructure through

the provision of financial, engineering and construction assistance to municipalities.

The objectives of the environmental approvals and project engineering branch are to: review applications for the approval of air emissions, noises and waste water discharges; to review applications for the approval of proposed municipal water treatment systems; to review applications for the approval of proposed municipal and industrial waste management sites and systems; to administer licensing and permit-issuing functions relating to water use; to review requests from municipalities for the support of water and sewage works and to provide project management and engineering services where necessary; and to co-ordinate environmental comments on land use planning activities and land use policies.

**8:30 p.m.**

The reorganization of my ministry, which I have described in considerable detail, demonstrates the determination to fulfil our mandate in protecting public health and the environment, and to meet the difficult challenges of the 1980s.

Last November, I set out a challenge for my ministry, the waste management industry and the people of Ontario, one I regard to be one of the challenges of the 1980s. That challenge is better management of the eight million tons of solid waste and the 60 million gallons of industrial waste we generate every year.

**Mr. Elston:** Sixty million gallons or more.

**Hon. Mr. Norton:** Or more, yes, or less, but we are sure it is 60 million.

**Mr. Elston:** Depending on whether you accept the Ontario Waste Management Corp.'s estimate. Will you be dealing with that later, by the way, or should I—

**Hon. Mr. Norton:** Whenever you like.

**Mr. Elston:** You are not going to talk about it later in your statement, though?

**Hon. Mr. Norton:** I do not think it is in the statement. We can raise it, if you like, under the appropriate vote and item.

Last fall, I announced my commitment to a comprehensive review and overhaul of waste management practices, policies, control and legislation in Ontario. The major instrument in this review and overhaul was to be our Blueprint for Waste Management.

In making my announcement, I invited the people of Ontario to contribute their ideas to the formulation of this important document.

Ontario's Blueprint for Waste Management is now on the table and open for discussion.

Our research, and the information contributed from nongovernment sources, have confirmed some of my personal concerns and priorities. First and foremost of these is the sheer quantity of waste we generate.

There is no room for doubt in my mind that there is just too much waste: four and a half pounds of garbage per person per day and tons of solid and liquid industrial waste, all of which require facilities for safe treatment and disposal.

The four Rs of waste management—reduction, reuse, recovery and recycling—must and will be a major part of waste management in our province. There have been various efforts to apply one or more of the four Rs to conserve or reclaim various wastes. I hope the experience gained by the originators of these efforts can be shared to mutual benefit this year as we work together to plan and establish Ontario's future waste management.

I would like you to look at each of the four Rs in turn. Reduction, reuse, recovery and recycling represent the greatest challenges we face in bringing new life to waste management in this province. At the same time, I believe that they present us with some of the most exciting opportunities.

The reduction of waste calls for some first-rate thinking and decision-making by a number of sectors in our society. For example, industry and business have roles to play in waste reduction. Economic considerations have compelled us all to reorient our operations to accomplish more with less. Meanwhile, the customers and consumers of Ontario are spending more carefully and wisely.

**Mr. Elston:** I have read that sentence somewhere before, in a press release, I think.

**Hon. Mr. Norton:** You might very well have. Sometimes I do get quoted in press releases.

**Mr. Elston:** In your own statement.

**Hon. Mr. Norton:** That is right. You were not there, so I thought I might well repeat some things that you might have heard had you been there.

**Mr. Elston:** Recycling?

**Hon. Mr. Norton:** That is right.

Now is the time to increase the durability and repairability of products. Now is the time to modify our packaging to eliminate materials which provide obstacles to recycling. Now is the time, through more effective government and nongovernment communications, to change con-

sumer habits and reduce the flow of waste. I think our timing could not be better.

Durability is a major factor in another of the four Rs, reuse. There is a host of mechanisms in place for this.

On the consumer level, for example, refillable glass containers for beer are reused an average of 20 times, after which the glass may be recycled by melting it down to emerge as another refillable container. If we are to expand reuse, we must look to durability in goods and materials, and careful maintenance of their qualities, to ensure their value to the next user and those who follow.

The third item in our review is recovery, the processing of waste to reclaim material to produce energy. Ontario has achieved a realistic perspective on the costs of processing wastes through our experimental plan for resource recovery in Downsview.

**Mr. Charlton:** Is that the Workers' Compensation Board facility?

**Hon. Mr. Norton:** There are other facilities out there. You should go out and have a look at it. Or have you?

The Ministry of Energy has joined us in the waste recovery field with a number of energy-from-waste projects.

My ministry will play a lead role in the waste recovery field, encouraging broader application of recovery technology, close scrutiny of facilities and support for the development of such projects on a municipal level. In addition, I intend to investigate the possibility of a good packaging seal of approval to be developed and jointly endorsed by the ministry and industry.

I propose a similar role for the province in co-ordinating promotional efforts for municipalities, industries and recycling groups. My ministry is also prepared to work with concerned public and private sector groups to establish standards for products containing recycled materials.

Recycling is probably the best known of the four Rs. It ranges in scope from the neighbourhood Boy Scout paper drive to the industrial exchange of thousands of gallons of chemicals. While it works well in limited commercial and industrial areas, its potential has barely been tapped.

It is an area with room for wholehearted involvement on the part of every sector of our society. The householder and shopkeeper have the opportunity to separate the marketable materials from their garbage. The municipal role is to co-ordinate the collection of these materials.

Commerce and industry have an inner circle of recycling which is essentially stable. The challenge to these sectors is to expand into the larger community cycle, and work to establish productive uses and stable markets for a broader, assured supply of materials. The recycling wheel turns full circle to the individual who has the power to demand goods made with recycled materials.

Within this recycling circle we have the nongovernment, environmentally oriented, special-interest groups. They have established a role for themselves in providing education, initiative, imagination and the spirit to make recycling work. I think the challenge for these groups is essentially to do better, to share their imagination and spirit with industry, for example, and in return learn from industry's experience and practicality.

The challenge for government is, quite simply, to make it work. In our blueprint, we set out some ideas on what we are doing and can do. We provide seed money to start and stabilize regional source separation programs. Within the Ontario government, we have implemented a cost-effective source separation program for fine paper, and made a good start on encouraging similar programs in the private sector. We have been working steadily on public education, and we intend to do more in this area.

I am asking for responses from all sectors of Ontario society on how the ministry and I can most effectively contribute to substantial and stable supplies of recyclable materials, an effective system or systems for their collection and delivery, and an assured market for their use. I am challenging all sectors of Ontario society to find ways of making their own substantial contributions to these ends.

My staff is investigating the intricacies of government purchasing, and I am going to see what I can do about increasing government demand for recycled content across the board.

Beyond this, I have proposed for discussion the possibility of a disposal fee to be levied at all treatment and disposal facilities against all wastes received. The fee might well be higher for more complex and hazardous wastes. The revenue from this could be applied to offset some of the capital costs of processing facilities, and to provide funding for source separation, education and demonstration projects related to the four Rs I have described.

This fee could have a significant impact upon waste management practices. First and foremost, it would generate funding for the four Rs.

Equally important, it would close the cost gap between the simple dumping solution and the alternatives of reduction, reuse, recovery and recycling.

The whole question of cost effectiveness in waste management concerns me. From what I have been able to gather, it concerns an increasing number of informed people in Ontario. All too often, we take too superficial an accounting of the real costs of waste disposal. It is an accepted maxim that landfill is the cheapest method of disposing of wastes, whether they be solid or liquid, municipal, commercial or industrial.

However, how realistic is that maxim? Do we really count all the costs? Comprehensive waste management accounting in our planning will allow us more responsible and efficient choices of future waste management options.

8:40 p.m.

Landfilling, for instance, is not always the inexpensive and simple solution some people may think it is. The true costs of landfilling include planning, technical studies of alternative sites, hearings and approvals, land acquisition, operating costs, monitoring, leachate and runoff controls, and closure and post-closure protective measures. Cutting corners in any of these areas increases the risks to our health and to our environment, and also increases the ultimate costs to the community.

Waste management begins with planning. This is an area where the temptation is greatest for some municipalities to take shortcuts in the interests of expediency.

There are several municipalities which assume a degree of responsibility for all wastes produced in their jurisdiction, and for long-term area waste management planning to cope with these wastes. However, this is not the case with all municipalities, and I intend to try to ensure that it will be.

Municipalities must strive for a better quality in waste management planning, incorporating more constructive public consultation to reduce the atmosphere of conflict which prevails in so many waste site decisions to date.

Another area to which we have turned our attention is the fear present in the minds of the public that buried wastes will some day return to haunt us.

**Mr. Elston:** They are doing that now.

**Hon. Mr. Norton:** There are certainly some things from the past that we are dealing with now.

**Mr. Elston:** That is why people are afraid. I think that is what the perception is.

**Hon. Mr. Norton:** Although the fear being expressed is not always based upon fact, the fact of the matter is that we can, and do, address the problems. Part of that reality is that there are those who, by virtue of a deep interest in the area, sometimes complicated by other interests, see it as an opportunity to capitalize on the problem relating to public fear and to exaggerate the situation.

I think all of us in public life have to strive for some balance in our approach to these problems, and I hope that we would all have that as our objective.

**Mr. Charlton:** On the other hand, there are occasions when a lot of the disruption that occurs out there is a result of an inability on the part of the public to get the facts until they raise a stink.

**Hon. Mr. Norton:** I am not sure that is an accurate comment, certainly on the number of situations that come to my mind. We have been sharing the facts readily with the public as they become available to us.

In fact, we have established, in the two most prominent situations, I suppose—on the one hand there was Stouffville, and at the moment there is the concern in the Perkinsfield area with respect to the Pausé landfill site.

**Mr. Charlton:** When the whole Stouffville issue started, there were no facts out there, publicly, at all.

**Hon. Mr. Norton:** Part of the problem there, I think, is that even when the facts were available to us and shared immediately with the public, the whole question of credibility and communication was a very serious one.

It was complicated by the fact that there are those, as I say, who, for whatever reason, seem to devote most of their energy to trying to undermine the credibility of some of the leading scientists in the world in this field. This is a challenge that anyone in my office has, and will continue to have.

I would hope that, at some point, the question of competence of the people who are committing their lives to these problems in the ministry can be resolved. When someone operating out of a little laboratory with inadequate equipment undermines the credibility of a world-class laboratory, staffed by 300 of the best scientists you can collect anywhere, with the most advanced equipment available—

**Mr. Charlton:** There is one the other problem, though. We can get into a full discussion of this much later.

**Mr. Chairman:** Yes, that would be much better.

**Mr. Charlton:** You have raised the one classic example of the Stouffville site. During the appropriate vote, we can enumerate the changes in the facts; how the facts have changed since that became a public issue. We will go through that. There are a number of facts that caused public concern.

It is not always—as you seem to be implying—that someone is out there looking to take advantage and capitalize on the situation. There are a number of aspects of it which caused public concern legitimately.

**Hon. Mr. Norton:** I am not suggesting that there is no area for legitimate public concern. I can assure you that there is concern on the part of the ministry with respect to these matters as well. What I am saying is that it is complicated and exaggerated by other kinds of interests that are not necessarily strictly related to the issue at hand in terms of the landfill site or sites.

**Mr. Chairman:** Meanwhile, back to the statement.

**Hon. Mr. Norton:** All right.

We are therefore proposing a perpetual care program to ensure that any problems arising can be safely and efficiently resolved. In this perpetual care program we are developing a guaranteed protection plan which provides financial assurances to cover every stage of the life of a site and continuing insurance after its closure.

In our leadership role with respect to control measures, regulations and assignments of responsibility, my ministry also recognizes a clear need to ensure consistent performance on the part of all responsible parties.

I have just reviewed a quarterly status report on enforcement and I can report that we have 111 control orders, requirements and directions and control programs to ensure consistent progress in dealing with specific environmental problems.

**Mr. Elston:** Are they all being complied with?

**Hon. Mr. Norton:** When the control orders are originally issued, they would normally include a time frame within which compliance is necessary. At this particular time, I could not say that all have been met. I can say they are all in the progress of being met.

**Mr. Elston:** Similar to the Hydro one, for instance?

**Hon. Mr. Norton:** Yes, sure. That is not a control order, that is a regulation. It is similar but somewhat different. I can assure you that Hydro—in my opinion, from the data I have—is going to far more than meet that regulation.

**Mr. Elston:** They will soon be closing up plants.

**Hon. Mr. Norton:** A reduced dependency upon coal will probably be a factor in doing it, yes. That is environmentally beneficial. The regulation does not stipulate the particular approach or technology that they ought to employ in order to achieve the target. It just requires them to meet that target.

**Mr. Elston:** The usual course, abstinence, is the most effective control.

**Hon. Mr. Norton:** That has always been my view. I do not know whether everyone shares that.

In addition, the ministry's legal staff is maintaining a full slate of activity with increasing emphasis on waste management issues. The regulations we produce from the blueprint process will be enforced. I intend to be fair, but I assure you that our enforcement will be firm.

While protective measures are an important element in waste management, there are more positive elements to the blueprint which relate to performance. We have set out to define all aspects of waste management in terms of roles and responsibility, coupled with accountability. Performance hinges on the clear and mutual understanding of our respective responsibilities and the roles of other sectors of our society.

We want the public to comment, to criticize and to contribute. Over the next few months, my staff and I will be talking to and listening to as many groups and interests across Ontario as possible. We will be conducting an active campaign to get people involved in the waste management decisions which must be made to complete the blueprint.

8:50 p.m.

This will be followed by a series of public meetings, at which the ministry's blueprint team will receive and hear further submissions in detail. Then and only then, will we take all the contributions from all segments of our society, to forge the final working plan for waste management in Ontario through the 1980s and, hopefully, leading to the decades beyond.

As we enter 1984, this plan will take form in new legislation, regulations, practices and work-

ing relationships. That is the challenge—working together first to plan, then to implement, and finally to maintain consistent performance. Our reward is the maintenance of a clean, safe and healthy community, as in a clean, safe and healthful province.

**Mr. Elston:** Which province is that?

**Hon. Mr. Norton:** The best—Ontario. Even Gord agrees with me on that.

I now want to give public recognition to the enormous debt that we owe to an outstanding citizen's group, the Ontario Waste Management Advisory Board. The board, having fulfilled its mandate with great distinction, has now been discontinued.

The waste management advisory board has served the ministry well in several areas, most prominently through its various studies of beverage containers and packaging. This valuable work was done, I would remind you, at a time when the ministry could benefit from neither the waste management branch nor the Ontario Waste Management Corp. Now that these organizations are effectively in place, and in view of our continuing budgetary concerns, it is time to reallocate resources to other areas.

I would want to extend for you to the retiring members, from myself and from preceding Ministers of the Environment, sincere thanks for a job well done.

**Mr. Charlton:** Some of us would like to do so.

**Hon. Mr. Norton:** I am glad and I would hope that you all would.

Since my last appearance before the committee a year ago, we have made substantial progress in our war against acid rain. Our determination to win the war remains undiminished. We have signed co-operative agreements with the state of New York and with the Federal Republic of Germany, and we have new reason for optimism in events that are reshaping the Environmental Protection Agency in the United States.

It has been a busy and productive year, with the Ontario Ministry of the Environment well in the forefront of activity. I have for you today a catalogue of accomplishments and a solid indication of where our work is likely to take us in the next year.

In June of last year, the acid rain issue was thoroughly examined at an international conference in Stockholm. Experts from 21 European nations, the United States and Canada agreed on several important points. They reached

29 conclusions which can be summarized in one short statement:

"Unless we reduce our emissions of sulphur and nitrogen oxides, more lakes and streams, more ground water, more soils and forests will become acidified and we will be adding to the economic and aesthetic damage that we have already done."

This was a profound conclusion and we are grateful for it. It reflects with great accuracy the position Ontario has advanced consistently, and sometimes against powerful opposition, since we first defined the problem and began working towards its solution in the mid-1970s.

As part of its acid rain program, Ontario has been operating, for more than two years now, an extensive acid deposition monitoring network, one of the most advanced of its kind in North America. Both wet and dry deposition of atmospheric acids and related substances are measured, since acidity comes down not only with the rain, but also through absorption of gases and particles by vegetation, water bodies and other surfaces.

To monitor wet deposition, we are using special samplers which open only when it is raining or snowing, at more than 50 sites across the province. The precipitation is analysed for acids and related substances—such as sulphates and nitrates—neutralizers of atmospheric acidity—ammonia, calcium, etc.—and various trace metals.

Exploratory experiments are also under way to determine the deposition of mercury, pesticides, polychlorinated biphenyls, and other organic contaminants in precipitation. An analysis of the available data has shown that wet deposition of acidity, sulphates and nitrates is greatest in southern Ontario.

In 1981, for example, wet sulphate loadings in excess of 20 kilograms per hectare per year, which is thought by our scientists to be critical for sensitive water bodies, were occurring in all of the southern portion of the province; south of 46 degrees north latitude. In this same area, precipitation pH values were generally less than 4.6, indicating an acid content more than 10 times that expected for clean water in equilibrium with atmospheric carbon dioxide.

A meteorological analysis of the data indicates that at least 50 per cent of the wet deposition of acidic substances in 1981 was associated with air flows from one quadrant: that between the south and west compass directions. Air masses reaching southern and central Ontario from this quadrant have passed over

heavily industrialized areas in the United States and Ontario having high emission rates of sulphur and nitrogen oxides.

Dry deposition across the province is inferred from the air concentration of sulphur and nitrogen compounds, as well as a number of trace metals. A specially designed air monitoring network measures these substances at 27 sites across the province.

Interpretation of the data from this network is still at an early stage, but preliminary results indicate that in southern Ontario dry deposition of acidic substances such as sulphates is comparable in magnitude to wet deposition, while in northern Ontario, most of the atmospheric acidity is delivered by precipitation.

Analysis of the data from these networks is an ongoing activity of the ministry's scientists. A number of reports have already been published. Several more are in preparation, including a joint project with Environment Canada and the Ministry of the Environment of Quebec to assess the impact of the Sudbury smelters on acidic deposition. Data obtained during the recent period when the smelters were shut down is compared with corresponding data when the smelters were operating.

Such deposition monitoring and data analysis activities to determine changes accompanying emissions control are expected to continue for several years to come. They will be instituted in Ontario and all of Canada. We hope they will be instituted in the United States.

In Nova Scotia, another province affected by acid rain, many rivers no longer support salmon. It is estimated that, in the United States, some 36,000 square kilometres of surface water are receiving excessive amounts of acid rain.

Elsewhere, there is evidence that acidic deposition leads to the removal of important plant nutrients and the release of toxic metals from the soils, which thus threaten forests. Toxic metals have been traced from soils to ground water, and eventually to streams. In Germany, scientists believe that the mobilization of metals in forest soils, resulting from acidic precipitation, is causing dieback in their forests.

The recently-released final reports of the Canada-United States work groups, established under the 1980 memorandum of intent, provide the most up-to-date scientific information on acid rain. While not all members of the work groups agreed on all points, a number of conclusions can be drawn from the memorandum of intent reports:

There is damage in both the short and long

term to areas vulnerable to acid rain as a result of sulphur deposition.

Wet sulphate deposition above 20 kilograms per hectare per year—or 18 pounds per acre—in vulnerable areas is associated with damage. Areas with deposition of less than 17 kilograms per hectare per year have no recorded damage.

The damage is caused by sulphur deposition and the solution is to reduce it.

Acid rain falls on eastern North America and downwind from the major industrial regions.

Technology exists to reduce emissions by substantial amounts.

In order to determine the magnitude and extent of the threat of acid rain to surface waters in Ontario, my ministry is continuing with the survey of acid sensitivity status. The third annual summary of this program will be available to the public in a matter of weeks in the form of fact sheets.

The program is an ongoing survey of the susceptibility of lakes in Ontario to acid rain, based on chemical analyses of water samples taken from each lake. Our data base is now increased to 4,016 lakes, up from 2,619 in 1982.

The primary factor in determining the sensitivity of a lake to acidification is its alkalinity, a measure of its natural acid-neutralizing capacity. We have classified lakes into five categories, based on their alkalinity.

Level 1 lakes have zero or negative alkalinity. They have already become acidic, and many or all fish species may be absent from these lakes. Of the more than 4,000 lakes actually tested, 155, or four per cent, were in this category.

#### **9 p.m.**

Level 2 lakes have very low alkalinity and are extremely sensitive to heavy acid loadings. Fish kills and other biological damage may occur in these lakes during spring runoff. Thirteen per cent of the surveyed lakes were in this category.

Forty-one per cent of the lakes were moderately sensitive, being less at risk in comparison to level 2 lakes. Seventeen per cent were classed as having low sensitivity. These lakes are likely to experience biological damage only under extreme snow-melt conditions during spring runoff.

So, a total of 72 per cent of the 4,000 survey lakes showed some sensitivity to acidification. The remaining lakes are considered not sensitive to acid loadings because they contain sufficient buffering capacity to neutralize acid rain for an indefinite time period.

This program, as I have said, is continuing with the co-operation of the Ministry of Natural

Resources and university researchers. It is providing us with a data base from which to assess the extent of the threat of acidification to our surface waters.

My ministry has also completed surveys on the acidity of ground water in the Muskoka-Haliburton, Sudbury, North Bay and Timmins areas of the province. Over 350 domestic wells were sampled. Results of these surveys indicated that well water was acidic—pH 6.0—in five per cent of the Sudbury wells and 12 per cent of those in Muskoka-Haliburton.

However, while the acidity of surface waters is largely caused by acidic deposition, ground water acidity is more commonly the result of naturally accumulating carbonic acid, formed from the reaction of carbon dioxide in the soil with water. This may change in the future, as suggested by data from Sweden, where in some areas ground water pH values of less than 5.0 have been attributed to acidic precipitation.

In acidic well water in both Muskoka-Haliburton and Sudbury, the drinking water objectives for lead and copper have been exceeded. This occurs because metals from piping and joints are released in the acidic water.

To put the matter in perspective, our medical advisers have not suggested the presence of any major or widespread danger to public health. However, they have advised discretion. For instance, it is not advisable to mix baby formula with the first water taken from a tap that has not been turned on for several days.

My ministry has circulated a notice to newspapers and health units in affected areas, urging cottagers drawing water from lakes and wells to flush the taps before use, as this reduces the metal levels to below water quality objectives.

In addition to determining the extent of the acidification problem in surface and ground water, my ministry has undertaken a comprehensive research program into the mechanisms of acidification. This information is obtained from intensive sampling of lakes, streams and ground water in a relatively small—about 10—number of representative systems called calibrated watersheds. Two to seven years of data are available to date on these systems, and a detailed picture of the physical, chemical and biological nature of acid-stressed lakes is emerging.

For example, several important results arising from this work are the following: sulphur deposition is of greater importance than nitrogen deposition in the acidification of lakes; most of the acidic input to lakes and streams occurs

during the period of spring melt, with resultant short-term depressions of pH; elevated levels of aluminum in surface waters are associated with low pH, and aluminum can reach levels shown to be lethal to fish in laboratory experiments.

Information from the calibrated watersheds is being used to develop mathematical equations which link the deposition of acidic compounds to the chemistry of surface waters. The relationships established by the detailed studies can be extrapolated to large numbers of lakes from which less complete data are available.

Of course, it is the biological damage caused by acidification and the resultant high metal levels that are of uppermost importance. As a result of our in-house research and that done by universities, we are getting a clearer picture of the nature of this damage.

We now know that fish kills have been observed in one lake in Muskoka, at the time of spring runoff, when the lake pH was low. Here are some other findings:

Complete loss of fish population has been observed in lakes in the Sudbury area concurrent with a decline in lake pH.

The concentrations of trace metals such as mercury, lead and cadmium are elevated in fish in lakes of low pH.

A decline in the breeding population of some types of amphibians has been observed in streams with low pH.

Changes have been observed in acid-stressed lakes in the occurrence and abundance of zooplankton, a tiny form of animal life and an important link in the food chain.

Changes have been observed in the occurrence of algal species in acid-stressed and acidic lakes, which may be detrimental to the recreational use of the lakes. For example, lakes with reduced pH support more filamentous algae attached to the lake bottom. In other acid-stressed lakes, an alga is appearing which causes "rotten cabbage" odors.

The research program that my ministry has undertaken is complementary to that of the Canadian federal government and similar to those followed in the USA, Sweden and Norway. The results are well respected and the work has been presented at numerous conferences and has appeared in many scientific publications.

Taken together with the survey data, information from the calibrated watersheds will be used as a data base from which abatement strategies to halt acid rain are fashioned. For example, the results regarding the relative con-

tribution of sulphur and nitrogen deposition to acidification have definite implications for abatement strategies.

Ontario's position has been that reductions in acid rain should be carried out by emission control at the source. However, we have also undertaken joint investigations with the Ministry of Natural Resources regarding the feasibility and effects of artificial neutralization of acidic and acid-stressed lakes.

Three lakes have been selected for the experiment; one near Sudbury and two in the Parry Sound area. The lakes have been monitored for the past year to obtain background data, and one will be treated with neutralizing chemicals in August 1983.

As I have said, this program is continuing. It is providing us with a data base—or position of strength, if you like—from which to fashion the abatement strategies necessary to remove the threat.

That is the answer, as we have always contended—cut off the source. Our own record in Ontario, in that regard, is exemplary. We have been practising what we have been preaching. I will come to that in a moment.

Another important contribution to our growing knowledge of this acid rain, its causes and effects, was the Sudbury environmental study released late last year. This study, conducted by my ministry between 1973 and 1980, delineates the causal relationship between smelter emissions and environmental degradation in the Sudbury area.

It confirmed that emissions from more than 90 years of smelting operations had resulted in serious damage to both aquatic and terrestrial ecosystems in the Sudbury area. The study also determined that while reductions from Sudbury sources would be beneficial to the local Sudbury environment and would assist in protecting other jurisdictions, reductions from these sources alone would not be sufficient to protect Ontario's sensitive areas.

A separate but related study was released by the Ontario-Canada Task Force on Inco Ltd. and Falconbridge Nickel Mines Ltd., the main industries in Sudbury. The final report of the task force was released in December 1982. Although specific recommendations were not contained in the report, findings indicated that a number of process changes and abatement controls were available to achieve successively lower SO<sub>2</sub> emissions.

Dependent on economic conditions for nickel and other metals, the ability of the companies to

finance further control measures would be an important determinant to when reductions are achievable. A key contribution to these reductions is the modernization of Inco's smelter, which is currently under engineering review.

The task force report is now being reviewed by my ministry, the two companies and other ministries. The abatement programs described in the report will form a cornerstone in the development of Ontario's abatement strategy.

**9:10 p.m.**

For Canadians, there is no question but that action must be taken to decrease significantly the pollutants which are precursors of acid rain. Those who are pessimistic about the prospects for halting today's high levels of emissions, have perhaps ignored our example. Since 1970, emissions of sulphur dioxide in Ontario have been reduced from 3.8 million metric tons to 1.8 million metric tons in 1980. Programs were put in place at all Ontario sources to reduce emissions when atmospheric conditions require it.

Ontario has imposed new and tougher regulations on its two major sources of acid rain-causing pollutants, Inco and Ontario Hydro. These two sources account for 70 per cent of our total emissions.

In 1980, the approved level of sulphur dioxide emissions at Inco was 3,600 tons per day. The company was required by government regulation, which cannot be appealed, to limit emissions to 2,500 tons per day immediately and by 1983, to reduce further to 1,950 tons per day. It is my understanding they are now meeting that.

**Mr. Elston:** Because they are not fully in production.

**Hon. Mr. Norton:** No, even at full production they would still be meeting that.

This represents a reduction of approximately 70 per cent from the peak emission levels in Sudbury in the 1960s. I have checked with my officials and I am pleased to report that Inco has cut down to the new levels of 1,950 tons a day and is sticking to it. In fact, in 1982, emissions averaged less than 1,000 tons per day. I am not sure whether that relates to the shutdown or not. I think it does. That would have a major impact on it.

**Mr. Elston:** When they were operating they were at the 1,950 level.

**Hon. Mr. Norton:** Then they were shut down. Ontario Hydro is also under government regulation, as you know, to reduce its emissions of sulphur dioxide and nitrogen oxide. The regulation requires Hydro to reduce its acid gas

emissions by approximately 33 per cent from 1980 levels by 1990, with an interim reduction to 390,000 metric tons of sulphur dioxide by 1986.

It is Ontario's policy not to prescribe how Hydro should reduce its emissions but rather to set emission limits and to make sure they are met. It is entirely Ontario Hydro's decision how it goes about achieving the prescribed limits.

A considerable amount of controversy has surrounded Hydro's decision to delay the installation of scrubbers on two of its coal-fired plants. These plants run only 35 per cent of the time and are used primarily to meet peak electrical demand. Since scrubbers only give full value when used with plants that burn high-sulphur coal and that are operating most of the time, the installation of scrubbers is not a cost-effective means of emission reduction for Ontario Hydro.

Anti-acid-rain control lobbyists frequently cite the large number of scrubbers that the United States has required to be installed on coal-fired plants, but these scrubbers have been installed to meet local air quality objectives and not in response to long-range transport of atmospheric pollutants. At the same time, the United States constructed some 300 tall stacks to export the remaining pollution. Ontario has only one tall stack, at Sudbury.

To meet our regulation, Ontario Hydro will use a combination of various methods, including low-sulphur and washed coal at its coal-fired plants and increasing use of its hydroelectric and nuclear stations.

Perhaps the best example of how Ontario industry is co-operating with the government to achieve emissions reductions, is Ontario's newest smelter, the Kidd Creek operation in the Timmins area. This zinc smelter has a sulphuric acid plant that captures 97 per cent of the sulphur dioxide from the gas stream.

Canada is committed to an overall 50 per cent reduction in emissions if a comparable commitment is made by the United States. The federal government is supported strongly in this position by Ontario and other provinces concerned about the damages resulting from acid gas emissions. These measures represent major actions to reduce Canada's contribution to the acid rain problem.

It has been said that acid rain constitutes a test of the rule of law and the relationship between Canada and the United States. The principles involved are clear. Both governments support principle 21 of the 1972 Stockholm Declaration which provides that states have

"the responsibility to ensure that activities within their jurisdiction or control do not cause damage to the environment of other states or of areas beyond limits of national jurisdiction."

This principle was again confirmed when Canada and the United States signed the United Nations convention on long-range transboundary air pollution in 1979.

Canada and the United States have developed a tradition of solving mutual environmental problems effectively and fairly. The Great Lakes water quality agreement is a particularly fine example of how our countries have co-operated to deal with a large-scale, bilateral pollution problem.

There were no questions asked about which household using what detergent caused which algal blooms in Lake Erie. The cumulative effects of all the discharges were recognized, and both countries agreed to take action to substantially reduce the loadings. The result was the virtual elimination of a serious form of pollution. If we had waited for all the scientific evidence in the case of the Great Lakes, the two countries would share the world's largest cesspools today.

An international arbitration in the 1930s between Canada and the United States provided the clearest statement of international law as it relates to air pollution. The decision of the Trail Smelter arbitration states: "Under the principles of international law, as well as the law of the United States, no state has the right to use or permit the use of its territory in such manner as to cause injury by fumes in or to the territory of another or the properties or person therein ..."

The legislators who enacted section 115 of the US Clean Air Act in its original form in 1970 clearly recognized this international responsibility. In 1977, the Congress of the United States recognized the increasing severity of the problem by amending the provision to make it even more effective. In 1980, Canada amended its federal Clean Air Act, which allows for source-specific emission standards to stop environmental damage to another country.

If these international commitments are to be met, then decision-makers and agencies who set and enforce standards must be prepared to translate commendable prose into concrete actions.

We in Ontario have had ample opportunity in recent months to test the resolve of American authorities to uphold their international commitments and, indeed, their own laws. I will deal

here with only three, all affecting the transboundary transport of air pollution.

One involves public hearings by the Michigan Air Pollution Control Commission. The purpose of the hearings was to receive comments on an application by Detroit Edison to delay bringing its Monroe power plant into compliance with Michigan's "one per cent or equivalent sulphur in fuel" rule. That rule is intended to protect air quality. The company had already received two extensions previously.

Detroit Edison contended that its plant's contribution to the overall problem of air quality and acid rain was insignificant. In addition, it said, coal with one per cent sulphur is relatively expensive, and would result in higher electricity rates and so on.

The Monroe power plant had been burning 2.37 per cent sulphur coal. In 1979, Monroe emitted 264,900 tons of sulphur dioxide, making it the fifth largest emitter of sulphur dioxide in eastern North America. If the plant were to comply with the state's regulation, sulphur dioxide emissions would drop to 112,000 tons per year.

Ontario was a party to the hearings, and submitted evidence to the effect that if the plant were once again exempted, its sulphur dioxide emissions would continue to blow into Ontario to the detriment of Canadian citizens. Ontario's position, I am told, received considerable support from other parties to the hearing.

The affair took many twists and turns, and more hearings. The upshot was that Detroit Edison's various schemes to escape the one per cent sulphur rule were rejected. It was ordered to comply. Now, the company has appealed to the courts. If the courts uphold the decision of the pollution control commission, Detroit Edison will have to use one per cent sulphur coal by 1985, and the Ontario position will be vindicated.

Another case in which we have intervened involves the Petersburg generating station of the Indianapolis Power and Light Co. The state of Indiana, and this particular company, have fine records with respect to controlling harmful air emissions. In fact, the Petersburg plant switched to low-sulphur coal and installed flue-gas desulphurization equipment to keep its emissions down.

What concerned us was an application by the company to the Indiana Air Pollution Control Board to increase its sulphur dioxide emissions, from two units of the Petersburg plant, to 7.11 pounds per million BTU of heat on a calendar

month basis from the legally permitted six pounds per million BTU.

We petitioned the agency of the Indiana state government to deny the request, and cited the principles of international law I have described. However, the state saw fit to permit the increase, and the matter is now before the Environmental Protection Agency.

**9:20 p.m.**

Whether our representation will be considered in the final outcome is impossible to tell. We gave it our best effort, and I am glad that we did.

The third recent intervention in which we are involved concerns the Indiana-Michigan Electric Co.'s Breed plant in Sullivan county, Indiana. This company is asking the Environmental Protection Agency for a relaxation in sulphur dioxide emission standards. It wants to raise its emissions from the present six pounds per million BTU of heat to 9.75 pounds per million BTU, a substantial increase.

In our view, the granting of such an increase would be a violation of our memorandum of intent with the United States to enforce existing laws and reduce transboundary air pollution. We have made strong representations to this effect to the Environmental Protection Agency, and await their outcome.

These actions, and Ontario's efforts to encourage others, constitute a leadership role among the many jurisdictions in North America. We are prepared to impose more stringent emission standards on provincial sources of pollution, and to enforce these controls.

We will continue to participate in any administrative proceedings which could affect the imposition of acid precipitation on Ontario, and we will continue to press for strengthening sulphur dioxide reduction programs in all jurisdictions.

I have mentioned some of our international initiatives to obtain actions of mutual benefit. There is one new area which we will be hearing more about in the next few years. That is the development of a highly-sophisticated mathematical model designed to link source areas of acid rain with sensitive receptor areas. Again, we are strengthening our already impressive data base in order to develop accurate and effective abatement strategies.

This so-called "super model," which we hope to have in operation by 1986, is being developed as a co-operative effort by my ministry, Environment Canada and the Federal Republic of Germany. We have received assurances of

additional support from the province of Quebec and the state of Minnesota. The state of New York is considering our suggestion that it participate as well.

Under our memorandum of understanding with the state of New York, which was concluded on April 28, my ministry has made a long list of suggestions for mutual involvement. These range all the way from standardizing some of our laboratory methods, so that we can compare results, to co-operative legal action. Ontario and New York worked well together in June 1981 at hearings of the Environmental Protection Agency in Washington.

**Mr. Sweeney:** How are you going to join the two?

**Hon. Mr. Norton:** We would certainly welcome them. It might take a while. I understand that the new governor has a somewhat different attitude from the previous governor. Certainly the senator from Ohio, as he is launching his presidential campaign, is starting to talk as if he recognizes that it is a problem. We will see where he goes.

**Mr. Sweeney:** Not when he is in Ohio. Only when he is in Maine.

**Hon. Mr. Norton:** What he says in Ohio, though, is that he wants others to help pay for it. He is advancing his own scheme for financing an abatement, which is not that different from some of the options that we are looking at interprovincially here in Canada.

Other areas in which Ontario and New York can complement each other involve the further study of mercury in fish, the study of air mass movement, forestry and crop effects, and lake liming.

We have made a tentative agreement with the government of Norway to share in the funding of its reversal of acidification project. This is conditional on the Norwegians obtaining a similar pledge from Environment Canada.

Since February 1982, when the Canadian Minister of the Environment asked the provinces to develop a number of options to reduce sulphur dioxide in eastern Canada, a series of meetings has taken place. A number of abatement options are currently being reviewed by the provinces, and last Friday we met with the federal minister to discuss strategy.

The control of toxic chemicals is near the top of the agenda in both Canada and the United States. Both nations, the states and provinces, are devoting an enormous amount of resources to the control of toxic chemicals and to the

prevention of unnecessary and harmful exposure to them.

Perhaps it is time to begin thinking about acid rain as the toxic substance it is, threatening much of North America's natural environment. Meeting this threat with positive, effective solutions is the acid test of both nations' commitment to international pollution abatement.

In the 1980s, solutions to the complex and serious environmental issues faced by my ministry require innovative problem solving. In tackling these challenges, my ministry has developed creative policy instruments and analytical approaches. To the credit and reputation of this province, many of my ministry's accomplishments have gained national and international recognition.

The approach taken must fit the people, and the needs of the public, the industry, and the government. When public health and safety is an overriding factor, as it was during the Mississauga derailment, my ministry worked around the clock in co-operation with industry and other ministries, and used sophisticated monitoring equipment and expertise, helping to ensure public safety.

When problems involve bringing together different interests which have different expectations—as in the case of waste management—my ministry is taking a leadership role in setting out a proposed blueprint for what needs to be done and who must participate. Then we are going to the public, soliciting comments and feedback.

When complex abatement problems requiring significant expenditures by industry arise because of knowledge which requires new steps in environmental protection, my ministry is working on ways to achieve the maximum environmental benefit at the minimum cost. With industry especially, the current realities of the economy dictate that we should "speak in industry's frame of reference" when we demand cleanup action.

My ministry's most recent innovative efforts have been in the controversial area of developing strategies to protect the environment from acidic deposition. Through the efforts of my ministry, a unique procedure has been designed which assists decision makers in establishing environmental objectives on a provincial, national or international basis.

Such a tool is usable in many areas of pollution, and my plans are to employ the tool whenever a pollution situation exists which

involves more than one pollution source and more than one damage area. In the case of acid rain, as you know, the environmental objective is to reduce the atmospheric deposition of sulphur and nitrogen compounds which are acidifying our lakes, damaging forests, and causing damage to property and materials.

In technical language, my ministry's ecologists, as part of the United States-Canada memorandum of intent working groups, have stated that as a first step, wet sulphate deposition should be cut to 20 kilograms per hectare per year. Establishing this goal was essential, and can be viewed as a major breakthrough in the acid rain arena.

However, when one sits down to design an abatement strategy, it turns out that there is literally an infinite number of ways to cut sulphur dioxide emissions from sources in order to meet this goal. There are 16 industrial sources of sulphur dioxide in eastern Canada, emitting more than 19,000 metric tons of sulphur dioxide per year. There are over 219 of these sources in the United States.

The sources include power plants, smelters, refineries and steel mills. Cutting emissions from some or all of these sources can meet the environmental goals, but which combination of cuts will be least costly, make best use of existing abatement measures, be most practical in an engineering sense, or be most feasible politically?

Historically, when such a question arose, the solutions implemented were designed without industrial economics in the foreground. One approach to the acid rain problem I just outlined, which might have been suggested a decade ago, is the so-called "across the board" cutback strategy. Each source is simply told to cut back by a fixed percentage of their emissions.

Such an approach has proven to be inefficient, and often penalizes those industrial "good citizens" who in the past have already cut back emissions, sometimes at great cost. Finally, for some industries, such a cutback is simply not possible because the pollution control technology is not available. The cost of such strategy is definitely not minimized.

More recently, agencies such as the Environmental Protection Agency in the United States have been experimenting with concepts such as "bubbles," which allow a plant to choose which sources under its control can be cut to achieve a global emission reduction. The strategy is to put an imaginary bubble over all of that

industry's sources, and to give industry freedom to meet the goal inside the bubble.

**9:30 p.m.**

My ministry advanced this philosophy in 1981 when we wrote the Ontario Hydro regulation to cut sulphur dioxide. Instead of putting a bubble over just one plant, as the Environmental Protection Agency has considered, our regulation put a bubble over all of Ontario Hydro's plants, which are mainly in southern Ontario.

The use of the bubble is a big step forward, since it enables one industry to minimize costs. The idea of an "emissions cap bubble" is also the correct approach to reduce acid rain. The cleanliness of emission is not adequate to solve the acid rain problem. Limits on the absolute quantity of SO<sub>2</sub> discharged are needed.

However, when a regulatory agency such as mine, or a group of agencies such as the environment ministries of the seven eastern Canadian provinces and over 30 US states, tries to design a strategy, the concept of the bubble also proves inadequate, because it cannot identify how to minimize costs among different industries.

Something more is needed. Such a tool must be more sophisticated than just cutting the cheapest sources first, if the goal of 20 kilograms per hectare per year is to be met in all of North America's sensitive areas.

The tool my ministry has developed, the screening model, has the elements required to provide significant guidance in designing an acid rain control strategy which is simultaneously the least costly and the most environmentally effective. The screening model goes far beyond any regulatory analysis now done anywhere else in the world.

The uniqueness of the procedure lies in its comprehensiveness. In its application to acid rain, the model integrates the output from our presently available, simple, long-range transport model with an index of available technologies for each source considered. The atmospheric model describes the relationship between pollution sources and sensitive areas.

The technical index, or source book, contains the cost for each technology, the amount of sulphur dioxide removal which can be obtained, and information on whether technologies can be combined step by step or must be committed to immediately and totally cut emissions.

Information regarding when the technologies can be used, and how long it takes to install the processes, is also on file. Thus, whenever emis-

sions are cut back from any source in the model, the cost, timing and techniques can be identified to achieve the cutback.

Put simply, for any desired environmental objective, the Ontario Ministry of the Environment can now estimate the most cost-effective way of achieving the desired level of acidic precipitation among 235 sources in seven provinces and 31 states. This is an accomplishment which should satisfy both public and private sector aspirations.

What is even more interesting is the ability our ministry now has to see, in dollars and cents as well as environmental relief, what happens when other strategies are implemented in the computer. For instance, the cost and environmental benefit of the across-the-board strategy can be quantified. The same information can be tabulated for a co-ordinated Canadian strategy versus independent provincial efforts.

Since we have US sources and sensitive areas in our screening model, we can also see the economic and environmental benefits when any Canadian strategy is co-ordinated with various US proposals which we see proposed in the US Congress or by United States industry. We can debunk claims by some in the US who say that a program of SO<sub>2</sub> cutbacks will bankrupt mid-western US utilities.

As the members of this committee are aware, the eastern Canadian provinces, over the last year and a half, have been grappling with the issue of developing a policy to reduce sulphur dioxide emissions in order to protect sensitive Canadian areas.

These discussions began by using our atmospheric long-range transport model to illustrate the links between Ontario, other provincial and US emissions sources, and sensitive US and Canadian receptor areas.

However, the provinces did not develop a common strategy to cut sulphur dioxide emissions in Canada until they saw the results from the screening model. Once the economic and environmental information for literally scores of scenarios had been analysed by our staff and then shared with staff of other provincial agencies, the results from key scenarios involving Canada and the United States were reviewed by the provincial ministers representing Ontario, Manitoba, Quebec, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland.

There were many questions and more scenarios were run. My ministry acted as part of a technical secretariat to the interprovincial group and carried out requested work without preju-

dice or any constraints. As a result of these efforts, I am extremely pleased to announce that on May 30, 1983, the eastern provinces, meeting here in Toronto, reached an agreement regarding a strategy and approach to protecting Canadian sensitive areas. Specifically, the ministers of the environment are committed to achieve a 20 kilogram per hectare per year wet sulphate deposition in all sensitive areas in the most cost-effective manner possible.

It was also recognized that this target can be attained only with US participation. The provinces also agreed to establish a task force to review implementation which will achieve the environmental objective. I am proud to say that the efforts of my staff were largely responsible for the attainment of this milestone in environmental decision-making in Canada.

Moreover, I am confident that through the application of the model Ontario will play a significant role in negotiating an abatement agreement with the United States. We know from our work with US agencies on the memorandum of intent negotiations that economics is a key consideration in the design of any US strategies. We also know that, at present, there are no US analysis tools such as ours. Economics are being estimated as a consequence of cutback formulas; the costs are not being considered as a design input.

This spring a high level delegation from the Federal Republic of Germany visited Toronto to learn about our acid rain research and discuss progress on the new atmospheric model which we are developing with them and Environment Canada. During the discussions the problem of designing a cost-effective SO<sub>2</sub> reduction strategy arose. We made a presentation of the model to the delegation, and since that time I have been contacted by the German government to discuss arrangements for additional meetings between technical staff from both countries.

It appears very promising that Ontario can build upon our existing joint ventures with Germany to include a cosponsoring of further work on the model. The sharing of resources and expertise will yield many direct benefits to Ontario and Canada. This potential co-operation illustrates that Ontario has exportable expertise and innovative thinking to offer the world.

I might state, in concluding this discussion of innovative policy design, that we recognize that not all the answers for acid rain are yet available. While we know enough scientifically to take steps now to reduce sulphur dioxide emissions, there are still questions about the exact

degree of benefit, due to nonlinear atmospheric chemistry and oxidants, that  $\text{SO}_2$  cuts will achieve. The role of nitrogen oxides must also be clarified.

These questions will be addressed by the new Ontario-Germany-Canada model and those results can be put into the screening model when it is operational. Information from a further assessment of technologies and more accurate costs, particularly in the US, will also be put into the screening model in the future. These developments will enable the next steps of Ontario's acid rain cutbacks to be developed with the least cost and in the most environmentally effective manner.

The Niagara River continues to be a source of concern. The problem, as I have said repeatedly in the past, stems from a legacy of neglect on the United States side of the river. Our shared waterway contains chemical contaminants from abandoned waste sites established as long as 40 years ago, at a time when there was practically no public awareness of the danger inherent in haphazardly burying chemical wastes.

However, I would like to make two important points. While we continue to be concerned about long-term problems in the river—the continuing accumulation of chemical waste leaking from the shoreline—there is absolutely no indication of impairment of drinking water originating in the Niagara River.

**9:40 p.m.**

The ministry, through its Niagara River improvement team and other initiatives, has significantly increased its knowledge of the problem since I last appeared before this committee. We have enough hard evidence to demand effective abatement programs. We are demanding such programs of the appropriate US authorities.

I have mentioned the Niagara River improvement team, which is my ministry's umbrella organization created to monitor conditions in the river, to follow closely activities in the United States, and to participate in all possible pollution control actions in New York state. This team of scientists and other specialists, fully supported by an extensive reallocation of budget and other resources, has been at work for a year now. I know you will be impressed, as I am, by the record of its achievements.

The other umbrella organization, in which my ministry continues to play a role of leadership, is the International Niagara River Toxics Committee, which benefits from membership and participation from Environment Canada,

the United States Environmental Protection Agency and the Department of Environmental Conservation of New York State.

Last summer, you may recall, I initiated an exhaustive study of the many factors that led to the gross contamination by waste chemicals of the Love Canal area of Niagara Falls, New York. Between 1942 and 1952 the Hooker Chemicals and Plastics Corp. deposited an estimated 22,000 tons of chemical waste along the course of the abandoned canal.

Later, the city of Niagara Falls added municipal garbage. In addition, both during and after the Second World War, various United States federal agencies deposited unspecified toxic chemical wastes in that site. Subsequently, the President of the United States declared a state of emergency at Love Canal and the area was evacuated of some 2,000 residents.

Since that time US state and federal agencies have conducted various studies and embarked upon certain initiatives to keep the contamination where it is and, above all, to keep it away from our shared resource, the Niagara River. At its closest point Love Canal is only a quarter-mile from the Niagara River.

As I reported to the House in April of this year, neither I nor my officials have ever been completely satisfied with the progress the Americans are making. While the drinking water in communities on the Canadian side of the river is safe, as shown by our constant monitoring, we are conscious of the potential threat that exists if abandoned dump sites such as Love Canal are not properly controlled.

I told this committee a year ago that many of the toxic substances discharged through several decades into the environment are persistent, that is, they do not readily biodegrade or break down in the river. The continuing discharges of persistent toxic substances are causing a buildup of these contaminants in the environment. Even if the inflow ceased today, it would take many years to dissipate this accumulation to an insignificant level.

Because some substances remain stable for a long time, they are carried from the Niagara River into Lake Ontario and remain toxic. They can then bioaccumulate in plants and fish throughout the lake, reducing its ability to provide sport and commercial fishing. Our philosophy for the long-term protection of the Niagara River and Lake Ontario remains unchanged. The discharge of toxic substances in toxic amounts should be prohibited and the discharge of any or all persistent toxic sub-

stances should be virtually eliminated. This is consistent with the terms of the Canada-United States Great Lakes water quality agreement of 1978.

You will recall that I reported to the House the discovery of trace amounts of dioxins and other chemicals as a result of intensive, ongoing monitoring of water and testing of fish in the Niagara River and its tributaries. Most of these contaminants, we are convinced, are from American sources.

It was against this background of concern, that last summer the ministry engaged a highly reputable engineering firm, Geologic Testing Consultants Ltd. of Ottawa, to carry out an independent technical review and interpretation of the hydrogeological conditions of Love Canal. We wanted reliable, up-to-date data on which to base our future action.

This report has now been completed and has been reviewed, resulting in a series of urgent recommendations which I have presented to the government of the United States. The government of Ontario formally asked the Secretary of State for External Affairs, the Honourable Allan J. MacEachen, to convey these recommendations to the government of the United States and to use the full weight of his office to make sure they are forwarded to the United States Environmental Protection Agency. This was done two months ago, and we are awaiting a considered response. As you are aware, the Environmental Protection Agency was in a considerable state of turmoil two months ago, and we are not unrealistic in expecting instant action.

Since that time President Reagan has appointed a new administrator of the EPA. That gentleman, according to press reports, has been doing some house-cleaning of his own. We have been informed that the terms of reference of the new EPA administrator are somewhat more responsive to Canadian concerns, especially in the area of acid rain and hazardous contaminants, than those under which the previous administrator presumably operated.

We are confident that our patience will be rewarded, once the new appointee has fully settled into his job and begun addressing his reordered set of priorities. I plan to meet with him at the earliest opportunity to convey directly our concerns in several important areas of mutual interest. In fact, we have been in communication with his office and are now trying to find a date for that meeting.

In summary, this is what we are asking from the appropriate American authorities: The pro-

vision of funds for the cleanup—not just further investigation, as things now stand—of sewers, creeks and outfalls that have been contaminated from the Love Canal area; the dredging of contaminated sediment from Cayuga Creek, which both we and the Americans know to be heavily contaminated and which drains into the Niagara River; a monitoring system to establish the long-term effectiveness of remedial work already planned by the EPA; and additional monitoring programs designed and put in place to show whether there is a possibility of ground water at the site moving downward into the bedrock below.

If all the actions contained in these recommendations are implemented, together with the remedial measures already in hand by the EPA, I believe the problems caused by the Love Canal will in large measure be contained. If the other waste disposal sites adjacent to the Niagara River are controlled to the same extent as the Love Canal will be, we will make a tremendous stride towards protecting and improving the river's quality.

We must all realize that Canada and the United States are the joint custodians and protectors of the Niagara River. As the province which shares this waterway, Ontario has a mandate and the responsibility to take action on behalf of our residents.

Earlier this year my ministry's persistent efforts to detect dioxin in water through regular sampling identified minute traces of the tetrachlorodibenzodioxin (TCDD) family of chemicals in three samples of untreated water from the Niagara area. Our scientists identified the probable presence of these chemicals in two samples of surface water from the Niagara River and in one from a channel off the Welland Ship Canal in the St. Catharines area.

Traces of a TCDD substance were detected at the lowest level ever measured and reported of any contaminant found in Ontario. The levels in the three samples detected were: 0.017 parts per trillion in samples from the upper Niagara River; 0.010 parts per trillion from the lower Niagara River; and 0.028 parts per trillion from the Welland Ship Canal. TCDD was identified in only three of the 154 samples tested and analysed from the Niagara area, and was detected in such minute levels in the samples that it is not possible to be certain that dioxin was indeed present in the river and the canal.

**Mr. Charlton:** Was there any indication in that testing—I know it is difficult to determine—

any speculation as to why the level in the canal was higher?

**Hon. Mr. Norton:** In all likelihood—in fact, it is safe to say we know that dioxin, if present in water, is not water soluble; it is attached to particulates. I suppose that if there was a particle—and we are talking about such minute traces—it is possible that even that could have been an emission from a combustion source, depending upon the particular particle. That is why further confirmatory testing is necessary. In the follow-up testing in those areas, the results have not indicated that we were able to confirm it; so further testing may be done.

9:50 p.m.

**Mr. Elston:** I should really admonish my colleague for Hamilton Mountain (Mr. Charlton) for waking up the minister. I was hoping he would go completely to sleep and that we would be able to get into the questioning of his ministry officials.

**Hon. Mr. Norton:** That will come. You do not want to rush. You are the ones whom I thought were nodding off; you have been so quiet.

**Mr. Elston:** We were asked by Mr. Piché not to interrupt. I am just wondering why you have decided to punish all of your ministry officials by making them attend.

**Hon. Mr. Norton:** To take what people who work regularly and with dedication in the Ministry of Environment have to take from some people, who will remain nameless, there has to be a streak of masochism there.

**Mr. Charlton:** Yes, but not your long-windedness, I hope.

**Hon. Mr. Norton:** But this fulfils the masochistic need.

**Mr. Elston:** If they are here by ministerial order—

**Hon. Mr. Norton:** Actually, I want you to understand that it is a very fine example of their loyalty.

**Mr. Sweeney:** Why don't you just close your eyes for 30 seconds and then leave quietly?

**Hon. Mr. Norton:** They are free to do that. They know that they are all quite independent of absolute control.

**Mr. Elston:** There go their promotions.

**Hon. Mr. Norton:** I see that Bob is already getting up to leave.

**Mr. Elston:** Unchain the staff.

**Mr. Cooke:** That is about as long in the

briefing notes as you reply to questions in the House, anyway.

**Hon. Mr. Norton:** I never read my responses in the House.

**Mr. Cooke:** It just sounds the same.

**Hon. Mr. Norton:** They are all spontaneous. Because of the technical detail, I wanted to give—

**Mr. Charlton:** It is a spontaneous infection; once it starts, you cannot stop it.

**Hon. Mr. Norton:** It depends entirely upon the circumstances. If you shorten question period, I would shorten my answers.

**Mr. Elston:** If we shorten the estimates, you would shorten your opening statement.

**Hon. Mr. Norton:** That's right. In fact, if you would agree to finish estimates by the time when the House rises next week, I will end my statement right now.

**Mr. Cooke:** Timbrell's was longer.

**Mr. Chairman:** Enough of a break now. Shall we proceed?

**Mr. Elston:** Now that the minister is awake, let us proceed.

**Hon. Mr. Norton:** No TCDD was detected in samples of treated drinking water from Niagara-on-the-Lake, Niagara Falls or St. Catharines.

You haven't got to Windsor yet. Do not run out.

**Mr. Cooke:** No, but I hear Jones is speaking in the House.

**Hon. Mr. Norton:** Previous and subsequent samples were also free of dioxin. With only three of the samples of raw surface water showing possible traces, and no signs of dioxins in treated drinking water, our best advice is that health concerns are unlikely and unjustified.

Information on the test results was provided to Niagara area municipalities. The ministry continues to sample in the area at these and other locations in efforts to determine if dioxin is present and to learn more about the way it is transported in water. Larger samples are being collected to increase the ministry's ability to detect extremely small concentrations. If it is found, tests will be run to determine if any of it is a 2, 3, 7, 8-TCDD member of the dioxin family, that being the most toxic.

Additional tests have been ordered to see if dioxins are dissolved in water or present mainly on suspended particles, because ministry scientists suspect that attachment to particulates, such as clay, is the most likely form of transport

in water. If present mainly on particles, any dioxins would be largely removed by standard water treatment processes. This added information will also help the ministry in checking possible sources of dioxins. The most notable and familiar member of the dioxin family—that is, 2, 3, 7, 8-TCDD—is considered the most toxic. It is usually present in trace amounts in trichlorophenol wastes and in the now discontinued pesticide 2, 4, 5-T.

Other less toxic dioxins can be found in industrial organic materials and other pesticides and they have been found to be produced through combustion. I have directed that criteria be developed for dioxins in drinking water, and I will review that important activity in a moment.

The samples I have mentioned were routinely analysed for dioxins at my ministry's central laboratory in Toronto, which is equipped to detect tetrachlorodibenzo-p-dioxin to a level of 0.250 parts per trillion and has equipment—in fact, I think this is out-dated; I think the equipment is now in place.

**Interjection:** It is.

**Hon. Mr. Norton:** The new equipment is installed in the lab, is it not? We are now testing the parts per quadrillion.

The ministry began analysing water samples for dioxins in February 1980, with the detection level for water of one part per trillion. In August 1981 the sensitivity of water analyses was improved to 0.25 parts per trillion, and now we are at levels of lower parts per quadrillion. We are bound to find it sooner or later. We are improving the lab capability to analyse even lower levels of dioxin and to increase information and knowledge of sources and concentrations in the environment.

A contaminant source on the Niagara River of continuing concern to me and to my officials is the sewage treatment plant in Niagara Falls, New York. Here, again, we have made measurable progress. Ontario has been successful in having important revisions made to a proposed state discharge permit for this plant. Controls on the discharge of contaminants to the Niagara River, as applied by this permit, will be fully effective in 1985-86 when faulty carbon beds in the plant have been rebuilt, provided that the present litigation does not drag on past that date.

Our major concerns were resolved in amendments to the draft permit. The amended permit cuts the discharge limits for PCBs by 75 per cent and for phthalates by 50 per cent. It also

provides for further control of other contaminants if monitoring indicates their levels are cause for concern.

Other amendments include a change from measurement of concentrations to measurement of actual amounts discharged; that was insisted upon by Ontario. The levels are set, based on average daily limits. These limits are keyed to the plant's design capacity of 48 million gallons a day, rather than to the 60 to 65 million gallons of current actual flow. The limits and the methods of calculation are designed to provide an incentive to the city of Niagara Falls, New York, to reduce the overload on the plant and to operate it within its design capacity.

**Mr. Charlton:** What then happens to the overload?

**Hon. Mr. Norton:** There are a variety of things they could do, including requirements of industry to do some treatment. At present, some of the major industries are tied right into the system, which is what the permit is designed for.

As a result of the improvements New York state has made to the permit, we were able to withdraw our earlier request for a public hearing on the issue. Ontario's comments on the original discharge permit and the province's request for a hearing were filed in New York state in March of last year. These activities were co-ordinated by the ministry's Niagara River improvement team. While the revised permit does not accommodate all of the suggestions the ministry and the city of Niagara Falls filed with New York state, our major contaminant concerns in this particular case have been resolved. We continue to monitor progress on that program.

This has been a significant step in cleaning up one of Niagara River's trouble spots and is an excellent example of how international communications and co-operation can be effective when good will prevails.

What about contaminant sources on the Ontario side? First, let me say that my experts calculate—and no one in authority has challenged them—that 99 per cent of the organic priority pollutants in the Niagara River originate on the American side.

**Mr. Elston:** Even those on the US side agree with that assessment?

**Hon. Mr. Norton:** No one anywhere, to the best of my knowledge.

Nevertheless, the ministry is continuing to ensure that Ontario industrial and municipal discharges are not adding to the pollution load in the Niagara River. These discharges are

monitored regularly to ensure that they comply with provincial standards.

In May of this year the New Democratic Party released discharge data from Canadian sources compiled by my ministry and chose to place an alarmist interpretation on it, for some reason or other. The NDP questioned me in the House over allegations that eight of 12 companies listed in our records are not meeting ministry discharge objectives for one or more parameters.

**10 p.m.**

It was further stated that objectives are not in place for hundreds of industrial organic chemicals. That last part, at least, is true and hardly surprising. I will deal with it when I describe the functions of the new hazardous contaminants and standards branch.

The short answer to the criticism is that all sources on the Canadian side are under control. The majority of those exceeding, or the violations if you prefer the harsh term, were related to suspended solids, due primarily to the stringency of Ontario's control program. To be perfectly clear on the matter, it is necessary to distinguish between conventional parameters, biological oxygen demand and so on and chemical contaminants.

Let us name names. Atlas Steels and the Cyanamid Welland plant are both under control order and are on or ahead of schedule. Holiday Farms is proceeding with the design of secondary treatment even though it is scheduled to close in September of this year. The Cyanamid Niagara Falls plant and the Norton Co.—that has nothing to do with me, I can assure you.

**Mr. Elston:** No connection.

**Hon. Mr. Norton:** None whatsoever. The discharges here are primarily cooling water.

**Mr. Elston:** Not a branch?

**Hon. Mr. Norton:** No; that is the other side of the family, that is a brother branch.

Canadian Oxy Chemicals has reduced the phenol levels over the past few years and the latest data indicate that our objectives are being met. Abatement activities are under way at Fleet Industries and Gould Manufacturing to reduce chromium and lead discharges respectively.

The concentrations of contaminants in these discharges should not be taken out of context with the actual quantities of each of the parameters in question. These quantities are for the most part very small. For instance, at Fleet Manufacturing we are dealing with 1.3 kilograms of chromium per day. At Gould Manu-

facturing it is 0.2 kilograms of lead per day. At Canadian Oxygen it is approximately 20 gallons of phenol per day.

As I have said, these companies and all other pollutant sources, potential or otherwise, on the Canadian side of the Niagara River are under supervision and under control.

Let me trace for you, briefly, some of our activities on the opposite side of the river. We will begin with SCA Chemical Services Inc. of Porter, New York, which operates a waste handling facility for industrial wastes. Its methods involve recycling, waste water treatment and landfilling. Some years ago, following a public hearing, the New York State Department of Environmental Conservation issued a permit to discharge waste to the Niagara River and a small creek leading to Lake Ontario. In 1979, following another hearing, SCA was permitted to increase its discharge to one million gallons a day and to build a pipeline from its property to the Niagara River.

My ministry was represented at the hearing and evaluated the company's proposal independently. Our people concluded that the technology being used was consistent with Ontario's philosophy; the effluent limitations and river dispersion were more than adequate to protect the Niagara River and the Niagara-on-the-Lake water supply; and monitoring of the operation was substantial and would be able to provide suitable control to meet the conditions of the permit. We subsequently verified this in the river during the first discharge in July 1982.

I should mention in passing that Niagara-on-the-Lake no longer draws its raw water from the Niagara River but obtains it from a hookup with the St. Catharines supply at a point in the Welland Ship Canal. Our evaluation data were made available to local residents at an information open house in Niagara-on-the-Lake in March 1980.

In October 1981 further hearings were held, with my ministry being granted observer status. SCA requested changes to its discharge permit in the form of increased concentrations of certain parameters. Our technical experts evaluated the proposed changes and we advised the appropriate New York authorities that we were opposed, on general principle, to any increase being granted. Finally, in April of last year the announcement was made of a negotiated settlement by so-called parties of interest.

Over the years scientists and technicians of my ministry have continued to evaluate the situation at SCA through water monitoring and

analysis and remain convinced that the practices of the discharger so far constitute no threat to Ontario's interests.

This is the current situation. Special sampling of the Niagara River for organics was initiated in 1978 on a monthly basis as a result of the possible effects of New York state landfill sites on Niagara River water quality. This is continuing.

Surveys of the rivers involving clams, fish, sediments, etc., have been carried out and are continuing. Through the Niagara River toxics committee, the ministry is working to integrate studies tracing contaminants and abatement activities as related to the Niagara River.

We were invited to work with a citizens' review board to be established under terms of the negotiated settlement. Staff will attend such meetings as requested.

An SCA facility, facultative pond No. 8, was discharged by SCA last summer. Our people witnessed the dye tests performed for SCA and carried out conductivity tests to measure the dilution factors in the river near the point of discharge. They were found to be satisfactory.

During the summer of 1978 the Love Canal episode brought to light the serious problems of disused and existing chemical waste disposal sites. New York state established an interagency task force which has reported on 200 sites in Erie and Niagara counties. Subsequently, the Environmental Protection Agency has issued its Overview of Environmental Pollution in the Niagara Frontier and an associated framework for a work plan designed to co-ordinate federal and state activities for faster remedial action.

Staff of the ministry meet with EPA and the New York State Department of Environmental Conservation on a frequent basis to discuss progress in controlling the problem areas. The priority landfill sites identified by the interagency task force near the Niagara River are being dealt with by EPA and DEC by a variety of methods—voluntary action, court action and the US federal superfund.

The high-profile sites are Hooker sites. When Hooker, New York state and the US federal government began litigation to negotiate corrective actions, essential information was not generally available to Ontario until the negotiations were concluded. We are strongly seeking such information during the negotiation stage.

Ontario officials continue to meet with EPA and DEC to determine progress. Water monitoring will be continued. Special studies of the river bottom fauna and sediments, such as were carried out by us in 1979 and 1981, will continue

in co-operation with Environment Canada. This work will be co-ordinated with similar activities by American agencies, through the Niagara River toxics committee.

Another priority concern involves the S-area site of Hooker Chemicals and Plastics Corp. in Niagara Falls, New York. Waste products from the manufacture of more than 250 chemicals were dumped in this site between 1947 and 1975. We estimate that a total of more than 70,000 tons of waste has been placed in this and the adjacent N-area sites, including wastes from the production of caustic soda, chlorine, chlorotoluenes, mirex, halogenated organic chemicals and other products.

A consulting firm retained by our Niagara River improvement team completed a hydrogeologic report on the Hooker S-area, which we have referred to Environment Canada, the US Environmental Protection Agency and the state of New York.

The report draws these conclusions. The ground water in the fill material used to reclaim sections of land from the Niagara River and the sediments immediately below it is heavily contaminated with organic chemicals originating at the S-area site. The ground water flow direction in this upper layer is primarily southerly, towards the Niagara River, and there is also a downward flow of water into the underlying limestone.

The upper 10 to 15 feet of limestone contains relatively high concentrations of organic contaminants. The ground water in this rock layer moves initially north and then turns westerly to the Niagara gorge downstream of the falls. There is a reasonable potential for some of the organic contaminants to move south towards and beneath the Niagara River in the direction of the Canadian side.

You may recall that on September 27, 1982, I announced to the Legislature that I had instructed my staff to prepare a submission to the United States District Court in western New York, requesting intervenor status in the negotiations between the United States Environmental Protection Agency and Hooker Chemicals concerning the S-area site.

My announcement caused great consternation on the part of the federal government, which appeared not to understand that the Ontario government believes it has a duty to represent the interests of the people of this province whenever and wherever it is necessary to do so. This was also a departure from External Affairs' policy of tacit support given the number of interventions made by my minis-

try in the past concerning long-range transportation of air pollutants, for example.

In correspondence with the Honourable Allan MacEachen, Secretary of State for External Affairs, and the Honourable John Roberts, Minister of the Environment for Canada, I agreed to accede to their plea that we enter into a process of diplomacy and discussion. In fact, the agreement was that we would withhold intervention until we saw what progress could be made through those avenues. They believed this would result in an interagency agreement, giving Ontario full participation in the proceedings without the need to resort to the courts. I subsequently met with both ministers to urge the acceleration of negotiations with the United States.

At the same time, throughout, I strongly maintained my option of filing our application for intervener status should the proceedings prove unsatisfactory. It is now nearly nine months later, and despite numerous meetings and considerable effort on the part of my

ministry, we are still not satisfied that the proposals made to us constitute our full participation in the negotiations in a manner that will adequately safeguard Ontario's interests.

Furthermore, on May 13, the United States EPA announced a series of policy and administrative changes in its hazardous waste programs in an attempt to accelerate site cleanups. On May 16 the US government decided to proceed with remedial investigations and feasibility studies in respect of the S-area under the auspices of the superfund. In other words, negotiations with Hooker on this landfill site are at an end.

Do we have to go now? The bells are ringing. We will not take long to finish up the next time.

**Mr. Elston:** Maybe we can just dispense—

**Hon. Mr. Norton:** And miss the climax?

**Mr. Chairman:** The bells are ringing now. I invite everyone back here on Tuesday night at 8 p.m. so we can go on with the continuing saga.

The committee adjourned 10:13 p.m.

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- Charlton, B. A. (Hamilton Mountain NDP)
- Cooke, D. S. (Windsor-Riverside NDP)
- Dean, G. H. (Wentworth PC)
- Elston, M. J. (Huron-Bruce L)
- Norton, Hon. K. C.; Minister of the Environment (Kingston and the Islands PC)
- Piché, R. L. (Cochrane North PC)
- Sweeney, J. (Kitchener-Wilmot L)



No. R-2

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# **Hansard**

# **Official Report of Debates**

## Legislative Assembly of Ontario

**Standing Committee on Resources Development**  
Estimates, Ministry of the Environment

**Third Session, 32nd Parliament**  
Tuesday, June 21, 1983

Speaker: Honourable John M. Turner  
Clerk: Roderick Lewis, QC

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# LEGISLATIVE ASSEMBLY OF ONTARIO

## STANDING COMMITTEE ON RESOURCES DEVELOPMENT

**Tuesday, June 21, 1983**

The committee met at 8:09 p.m. in room 228.

### ESTIMATES, MINISTRY OF THE ENVIRONMENT (continued)

**Mr. Chairman:** Committee members, I see a quorum; we will continue with the statement of the minister. I believe he is going to pick up where he left off; I do not think he is going to take it from the top.

**Hon. Mr. Norton:** I will take it from the top since I lost my place. At least, I will give you a recap of what I said the other night, just in case you have forgotten.

**Mr. Andrewes:** I think you were on page 99.

**Hon. Mr. Norton:** No, actually I was not.

**Mr. Chairman:** Page 105.

**Hon. Mr. Norton:** Everyone kept a record, did they? You cannot get away with anything around here. I thought at least I could have my own caucus colleagues supportive of my doing a recap.

Actually, you are right. Last Thursday I had reached page 105 and, although I did not realize it at the time, it was a most opportune point at which to terminate my remarks because I was about to inform the members of the committee of the actions the ministry will be taking to ensure participation in matters affecting the Hooker S-area site, in view of the decision of the United States government to invoke the superfund.

In fact, just this afternoon I learned that there has, once again, been what I previously described as a complete change of circumstances with respect to S area. The committee will recall that I announced in the Legislature on June 9 that I had instructed the staff to file our application for intervention and it was done on Monday, June 13.

I had also instructed staff to ensure that we had input, if at all possible, into the superfund activities. We now have learned that, faced with the US government's initiation of the superfund proceedings, Hooker Chemicals has conceded all the points that were in dispute during the previous negotiations and will now sit down with the United States justice department to write out the final settlement agreement.

Drafting, review and senior management approval of the agreement are expected to take several months, at the end of which the agreement will be taken to court and the final decision as to its acceptability will be made by the judge at that time.

This change makes our application for intervention even more important, and we will anxiously await the court's decision as to whether Ontario will be granted intervenor status in the matter of the S area or not.

**Mr. Andrewes:** Can I ask one question? What is superfund?

**Hon. Mr. Norton:** The superfund is a fund that was established by the federal government in the United States. The exact amount escapes me at the moment, it was several billion dollars—\$3 billion. It was targeted for the cleanup of waste disposal sites, particularly chemical waste disposal sites.

**Mr. Charlton:** It is a growing fund, added to by industry.

**Hon. Mr. Norton:** Fairly recently, the Environmental Protection Agency decided to change its approach to the S area by applying the funds from the superfund to do some preliminary work leading up to the development of a strategy for cleaning up that site. That decision on their part to proceed is apparently what precipitated the Hooker Chemicals company's decision to concede and to get on with negotiating a final settlement.

I do not want to go into a lot of detail tonight, as I know you were all very patient last Thursday, but I would like to touch upon a few other matters relating to the situation, particularly as it relates to the Niagara River. The staff of the ministry are continuing to monitor the investigations and cleanup proposals regarding the Love Canal, the N area of the former Hooker Chemicals and Plastics Corp., the Hyde Park site, Gill Creek, 102nd Street, Necco Park, Durez and the Lake Ontario Ordnance Works.

None of these sites for chemical waste disposal, obviously, is in Ontario, but the Americans are as fully conscious as we, I think, that any leakage from these sites is at least a potential problem to the international waterway over which our countries share jurisdiction.

In Ontario, as elsewhere, our ability to measure minute quantities of chemicals in the environment has far outstripped our ability to assess the significance of these discoveries. We have a great deal of catching up to do, and so does every other industrialized jurisdiction in the world.

Ontario has set standards for air and water pollution for approximately two decades. These standards were set following extensive literature review and discussion among experts within government to protect the most sensitive receptors.

Human health is the most critical concern. However, protection of fish, the suppression of undue algal growth, the avoidance of imparting repugnant colour, taste or smell are also determinants in standard setting in natural waters. Likewise, repulsive smells, unsightly smoke, avoidance of damage to building materials and sensitive vegetation and the contamination of forage crops are considered when setting air pollution standards.

Most jurisdictions have set standards for only a small handful of environmental contaminants. This is certainly true of the vast organizations to which we often look for guidance such as the World Health Organization and the Environmental Protection Agency of the United States.

It has recently become increasingly obvious that there is a need to set standards for many more contaminants. This is particularly compelling for those heavy metals and organic substances that have gained a sinister reputation in terms of public health effects.

Ontario has taken an important step to marshal the knowledge we need in dealing more effectively with chemicals in the environment. We are the first Canadian province to establish a special branch to deal exclusively with hazardous contaminants and standards. The ministry's former hazardous contaminants office is now a part of the ministry's newly formed hazardous contaminants and standards branch, which will emphasize our focus on the management of the less well-known pollutants. As a first step in its new mandate, it has developed a chemical assessment process. This process lays the foundation for the management and control of toxic substances.

We have chosen not to publicize this activity widely and perhaps prematurely, but I can assure you that some of our best people, backed up by a substantial allocation of resources, are already hard at work in meeting this challenge. They are working with specialists in other

ministries of the Ontario government and with their counterparts in the federal government and, I might add, they will shortly be working with international experts as well.

The task requires the recognition of several unfortunate truths. The amount of knowledge associated with the effects of the substances of the greatest concern and interest to public health or wellbeing is very sparse. As the task can easily expand to include the setting of standards for thousands of compounds, it is vital to establish the order in which substances will be appraised.

The public will face the necessity of gaining an ability to weigh the social cost against the pleasures and benefits brought about with modern technology, as well as a facility to judge the acceptability of environmental risks in the context of other risks encountered in life.

In the next few years, modern standard setting is likely to crystallize some difficult options that scientists and laymen have largely avoided since the arrival of the chemical age of the 20th century. More than five million substances, separate entities, now have a name. Many more are still unnamed. Some 60,000 to 100,000 are more or less in common use in North America. Of these, about 200 have characteristics which deserve urgent attention with respect to public health and the environment generally. All 200, obviously, cannot be confronted simultaneously. For one thing, there are simply not enough qualified people on the face of the earth to do the job. We must assign some order of priority and deal with these things one at a time.

Because of widespread public apprehension, we intend to start by concentrating on the dioxin family of compounds. I remind you that there are no fewer than 75 members of the dioxin family. Some are relatively innocuous and a few are thought to be lethal.

The problem in a chemical world is achieving a state of peaceful coexistence with the chemicals that are deemed to benefit mankind. It is easy enough to ban a chemical, but it is not the answer. Consider polychlorinated biphenyls, PCBs. For years they have performed a great public service in electrical equipment as a coolant and as a fire retardant, but medical evidence suggests that PCBs outside their proper environment may well be harmful to human health.

Perhaps they still have a valuable role and perhaps we should continue to be using them in transformers, if we took care to keep those transformers away from areas of potential risk

such as schools and hospitals. I leave that as an open question. The whole area of risk assessment in our society is highly tentative.

It is only very recently that we had an ability to recognize small amounts of dioxins in raw water in the Niagara River and in emissions from a municipal waste incinerator in Hamilton. There is also an important question of the physical and chemical behaviour of small amounts of chemicals in the environment. Are they readily available to humans? Do they decay into less toxic or more toxic substances?

**8:20 p.m.**

The gaps of knowledge are indeed large. Therefore, to a certain extent, the scientist's view of priorities must be tempered by the citizen's perception of what substances cause him the most misgiving. It is important that the scientist does not impart a false impression of having a quality and quantity of knowledge that are just not yet available.

At the earliest point possible it is the intention of my ministry to involve the general public in the process of standard setting. An advisory committee made up of persons outside government is to be appointed for that purpose. It will be the committee's function to create a public focus on what standards, or, if need be, interim guidelines, are realistic and acceptable.

When it is feasible, it would be most useful if the experts who will recommend standards for a substance to the advisory group could devise a hierarchy of concentrations that affect human health and wellbeing and environmental flora and fauna. The reason for such a hierarchy may be important in deciding where and how quickly to expend efforts in abatement. It is also important in the sense that the public seems to be moving towards the time when it must weigh the acceptability of risks to public health and environment against the undeniably high quality of life that new chemicals have brought to us.

Despite the gaps in toxicological and epidemiological knowledge, the task of standard setting is both necessary and positive and should be seen as an important part of public education in making responsible judgements on the value of chemicals in our lives.

As I reported to the House last November 5, I intend to ensure that the hazardous chemicals which exist in Ontario are dealt with in a scientific and efficient manner and that we develop and maintain an improved capacity to reduce any risks they might present to our society. The chemical assessment process we have implemented is an initial and essential

building block in developing long-range programs. It encompasses three broad areas of activity: chemical identification, chemical assessment and chemical standards.

To date we have identified more than 200 priority substances or classes of substances which may be of particular concern to environmental and human health protection. These will be subject to extensive evaluation and discussion with other governments to maintain a common understanding on a regularly updated inventory. The inventory will assist future activities in focusing research into the toxicological effects of hazardous contaminants and in formulating policies and programs to deal with them.

Chemical assessment is a complex undertaking which, to be successful, requires co-operative efforts and liaison with other scientific and government organizations. In order to determine the particular risks of hazardous chemicals, my ministry is making an assessment of exposure to our population of those chemicals and their implications for the environment and human health.

We are currently assessing carcinogenicity, mutagenicity, teratogenicity, acute toxicity and environmental persistence of these high-priority hazardous chemicals by a wide-ranging program of research and review. This will provide a state of the art assessment of the human health and environmental effects of chemicals to be conducted through the ministry's monitoring programs and through an industrial inventory of uses of chemicals gathered from the private sector.

As I reported to the House in November, we are working on this with the Canadian Chemical Producers Association to develop a much-needed Ontario industrial chemical survey. This is our first major step in obtaining voluntary data on the use, manufacture, import, export and emissions and discharges of chemicals in the Ontario economy.

This important task is being shared by appropriate sections of my ministry which are working together to develop standards and guidelines for those chemicals that present risks to human health or threaten the stability of the environment. The leading group, the hazardous contaminants and standards branch, is now formulating policies to govern the setting of standards where these are necessary. As I have indicated, I intend these policies to provide explicitly for effective public involvement.

Hazardous chemical contaminants are the emerging major environmental challenge of the

1980s. Their proliferation has caused legitimate public concern, and I am determined that we allocate the necessary resources and scientific endeavour to provide adequate understanding and effective measures of public protection where these are found to be necessary.

I look forward to discussing these and other environmental concerns as we proceed with the review of the estimates, whether it be tonight or in October.

**Mr. Elston:** There may be a change of cabinet by that time.

**Hon. Mr. Norton:** If that is the case, maybe I will be a member of the committee. You never know; I might get turfed out completely. In that case, I will join—

**Mr. Andrewes:** It is quite a challenge.

**Hon. Mr. Norton:** I realize that. I will have to stand in line.

**Mr. Elston:** I would think that a number of you gentlemen would be looking for a little extra time to write books to prepare yourself for more adventurous activities later on.

**Hon. Mr. Norton:** Actually, as I told one of my colleagues, I think mine would be a Harlequin novel, if that is not attempting anything too philosophical and heavy.

Now I am going to talk about a booklet. A booklet has been provided to each of the committee members, and I hope you have it, which briefly outlines the work and responsibilities of each of the programs and activities of the ministry. The booklet also compares the budgets for 1982-83 and 1983-84.

After the committee members complete their opening comments, I would like to ask that we deal with the estimates in the order they appear in the booklet. This will enable us to have appropriate staff on hand to assist in answering your questions.

There is a great deal to be done to improve the quality of the environment. It is my hope that the deliberations of this committee will promote the cause, bring forward new ideas and assist in the understanding of the current issues and problems. Thank you.

**Mr. Chairman:** Thank you very much. That was a very full and concise statement. I do not think it leaves any room for questions at all, but perhaps we might have some statements by the critics.

**Hon. Mr. Norton:** I was about to make a motion that we might just pass the estimates.

**Mr. Elston:** If I am not not mistaken, that is what is generally done with the content of this material; it is generally passed.

**Mr. Dean:** Are you saying you will pass them?

**Mr. Chairman:** Mr. Elston, do you have some comments you would like to address to us?

**Mr. Elston:** I have a few comments. As I said the other day when we started, when two or three interjections were placed, I noticed a lack of detail in certain areas. The size of the statement does not indicate too much attention to the problem of inflation in terms of the volume of material we are considering this year in the opening statement, compared to the volume of material we had last year.

I think we have an increase of somewhere to close 50 pages over last year's rendition, and we thought we were all being punished last year, Mr. Chairman.

**Mr. Chairman:** We arranged to spread it over two nights this time.

**Mr. Elston:** We have done it over two nights. I am afraid that some of these gentlemen, who probably are looking for promotions, have had to come here to show just how well they can wear under these difficult conditions.

**Mr. Dean:** They ain't seen nothing yet.

**Mr. Elston:** This will be an enlightenment; I am sure this will enlighten the whole area.

**Hon. Mr. Norton:** Your leader has asked me for a report on your performance after this evening's sitting.

**Mr. Elston:** I think your people should raise that at your breakfast meeting someplace and you could get things straight. I could write a letter of encouragement or whatever if anyone would like that done.

**Mr. Andrewes:** We are up for breakfast long before you.

**Mr. Elston:** I think it is pretty predictable as to where some of our concerns will be raised. Probably the first and foremost, at a time when there is restraint, is that we understand steps have to be taken to trim fat from the budgets of each one of the ministries.

In all fairness and honesty, I felt when these originally came out that a cutback of \$32 million in a budget for the environment at a time when the environment is probably the crucial concern for society just did not seem appropriate. We had \$346 million in 1982-83 and now we have \$314.2 million, and that at a time when we are really getting into an expansion for the location of a chemical hazardous waste disposal site

under the auspices of the Ontario Waste Management Corp, at a time when they are building up.

**8:30 p.m.**

We have a number of items and perhaps I will just go through them in point form. One of the reasons set out was that there was a change in the priorities. It seems to me that is probably true. More funds are needed for more sophisticated water filtration systems to remove toxic chemicals. I know that we have devoted some of the time to dealing with questions on those and we have had press releases setting out what the minister plans to do with respect to the treatment of raw water coming into the Niagara treatment facility. I would like to provide the minister with some support for those sorts of arrangements, all the time knowing that he is probably going to be cut short in some area of his budget because he has had to allocate for the special funding.

It seems to me that we need more funds to set up and improve the sewage systems in urban areas and to fund sewage programs in rural areas. I keep thinking about a village in my own area, Tiverton, which I write to the minister about on at least a yearly basis—actually more often—trying to discover exactly how the priorities are set out in terms of funding, especially when the village has written every year since I have been here to request help not only with respect to its sewage treatment system but also with respect to its water system.

Even though the people of the municipality of Tiverton feel that there is a very difficult problem they have to deal with, I know that because of a limit on funds, which he has not really fully explained to me, the minister has not yet seen fit to provide funding. I think I have written two or three times requesting a fuller explanation of that. It may be that the rating system amounts to nothing more than a roll of the dice or the drawing of names from a hat. I am not sure yet.

**Hon. Mr. Norton:** It is much more sophisticated than that. In fact, I would be glad to set up for you a full briefing on that if you like tomorrow or at your leisure.

**Mr. Elston:** Perhaps not tomorrow, but I would really like to go through that, just to see how it is done. I really think that the suspicion remains that when an answer is not provided as to how the rating is actually done, then there is no rating system at all, but names are juggled around to fit the convenience of the situation. I

would appreciate going through the system so that we know how the funds are allocated and that there actually is a system being used.

I know the minister is very large on systems and very good on organization and I am sure that there is something substantial there.

**Hon. Mr. Norton:** You have obviously been talking to the wrong members of my staff. There are some people who do not think I am very well organized at all.

**Mr. Elston:** Name names.

**Hon. Mr. Norton:** They know who they are.

**Mr. Elston:** Let us in on this.

**Hon. Mr. Norton:** One of them is chuckling behind me at the moment.

**Mr. Elston:** I was interrupted, Mr. Chairman, and I have lost my train of thought here.

**Mr. Chairman:** I will try to control the minister.

**Mr. Dean:** Start on the last page and work forward.

**Mr. Elston:** I guess maybe that is what I should be doing.

In any event, I wanted to bring up that particular situation because I really think it deals with the question of credibility in terms of how well the ministries proceed when requests like this, which are perceived as being substantial in the community, are turned down many times. Unless there is an explanation of how that is done, I think it affects the overall operation of the ministry's funding for those programs.

Management systems and cleanup need more money for managing current systems and for the cleanup of landfill sites that have been contaminated with liquid industrial waste. In view of the foregoing, we cannot really get down to changing priorities as the sole means of being able to accommodate a cutback in funding to that extent. That is really the point I am making. I do not really see a change in priorities at all. I think they are still very much the same as they were before.

While I am dealing with the cleanup of landfill sites, I attended all day yesterday the round table discussion on hazardous wastes sponsored by the Canadian Environmental Law Association. It continued this morning, but I was unable to be present. One of the concerns that was raised at that point, in dealing with the cleanup of abandoned sites—and it may have been brought to your attention—was the difficulty that a member of your ministry had in explaining how a study of identification done by

your ministry in 1979 indicated 1,400 abandoned sites. It was brought up at the round table by Joe Castrilli that there was another review which indicated there were 1,950 abandoned sites.

The question had really been raised as to how come so few of those abandoned sites have been monitored and worked on to any extent. The point that was made by Mr. Gotts, who was representing the ministry at that round table yesterday, was that they had narrowed down the list of sites to 197 from the 1,400, and they went down from there and recommended reviewing 109 of the 197. It really went down to about 11 or 12 sites on which they really did intensive monitoring.

We need an explanation of exactly what happened to the other 550 sites. They had been enumerated before. I know there will be some material that you will have on that to explain the numbers. Mr. Gotts obviously was not prepared to get into that sort of detail. He was really presenting material which had been prepared specifically for the conference, and I do not blame him for not being able to anticipate that question.

One of the other reasons you had for being able to accommodate the cutback was that there is a reorganization cost effectiveness. I am not sure exactly how that has been done even yet. I remember a year ago now, I think on May 13, 1982, we finished our estimates. The next day—it was either the Wednesday or the Thursday—we came out with a reorganization manual which, in one way or another, incensed me at least. I was not playing around when I was angry because it really meant that we were dealing with the estimates of a ministry that was being changed in midstream at that point and we really had dealt with estimates which were not relevant to the operation. I thought it was bad form, to say the least, for the minister to change the ministry after his estimates had been approved by this very noble group of members.

**Hon. Mr. Norton:** I can assure you, if I might just interject for a moment, that was not by design, but rather related to the timing of the necessary approval for the introduction of the changes. It was not scheduled on that basis.

**Mr. Elston:** I appreciate the explanation that was given, but I think we should have had another 16 hours to go through the changes.

**Hon. Mr. Norton:** Have it now.

**Mr. Elston:** That would have allowed us to get into how you were going to be able to accom-

modate, with those limited resources we voted for you then, the reorganizing of this great ministry.

One of the things I have seen as a result of the reorganization is that, compared to last year's attendance, which I think hovered around 40 some people on at least two or three of the nights when I was able to keep my eyes partially open while listening to the minister's responses, we are now down to somewhere around 15 to 17 people. That to me indicates either those other people were called and slept through the estimates last year or else they just were not called upon this year to come up and bear the brunt of all this stuff.

**Hon. Mr. Norton:** We are becoming a leaner and tougher group all the time.

**Mr. Elston:** I can believe that. It just seems to me that the reorganization by itself, together with this change in priorities, is not capable of absorbing the type of cutback we really faced in this year's budget.

The other thing I think I should raise right at this point as well is that I still have a great deal of concern, and I interjected at the time the Treasurer (Mr. F. S. Miller) was going through his budget, about the \$300 million yet to come off the budget of the province. I keep looking at the types of pressures that are put on the various ministries and I keep looking for the areas that are going to be hit hardest. I see that we have lost \$32 million here. My concern still is that \$300 million will be proportioned among the ministries. It would seem to me, as lean as you are, you are going to get further pressures to cut back even further and we might even see the disappearance of another five or six of those poor fellows just to accommodate the leaner times.

8:40 p.m.

I have a real concern about that because our main concern as a Legislature right now seems to be how to create jobs, how to develop the programs that will help industry get back on its feet, how to help those people survive the tough times. When that happens, I think we, generally speaking, start looking over the top of programs such as those sponsored inside the Ministry of the Environment. This may mean that, as lean and as good a job as you have done, we will be facing a further proportionate reduction. I think that will be very sad indeed for the types of programs we have to have to maintain the environment in the state that it is—such as it is in some locations.

We know right now, for instance, once having found problem areas or hot spots, that it is going to be tremendously costly to deal with those problems. We also know, to a large extent, that the ministry in one way or another is probably going to have to fund a good part of the remedial work, at least initially if not totally, because we may not be able to find those people who are responsible. We may not be able to find the people who assigned the material to be dumped. We may not even be able to find the people who dumped it. We may not be able to find an ongoing entity, either corporate or an individual, who actually operated the facility that has since been abandoned.

On top of that, even if we do find them, we may find that they do not have any resources anyway and we are really looking at a cost that is going to be borne by society in terms of those cleanup difficulties. I can think of the type of technical problems which we would have dealing with the pollutants already running from the Perkinsfield dump. At the round table on hazardous waste, we spoke briefly about the type of operations that were ongoing in the United States. Mr. Kaufman, from the EPA, attended and told us of their activities in drilling purge wells and in trying to deal with underground currents. It is extremely difficult to deal with and it is extremely expensive. That money is going to have to come, I am sure, almost inevitably or invariably from the ministry itself.

I do not know how many sources of extra funding you have, but it just seems to me that since there is no program yet in place which allows for those cleanups to occur, there are no separate funds other than the tax dollars; I think that that is the sole source at the current time. I know your blueprint has addressed a couple of concerns, but as to funding a superfund type of operation now present in the United States, there just is not sufficient time to get enough money in there to deal with our current problems.

I want to take a look at the budget cutback in terms of what we should be looking at for our budget for 1983-84, as compared to what we really have. If we look at last year's budget from the standpoint that we should have had a 6.6 per cent increase over last year's budget, we should have had an increase of about \$22.8 million rather than a cutback. If you look at inflation, we have lost that; in reality we have lost \$32 million from last year's budget plus what would be the inflation increase.

In total we have lost about \$54 million from the budget, keeping pace with inflation. I think

that is a real concern that we have to meet. You have to tell me exactly how you, as minister—you may not have been happy with it, I do not know; I presume you probably were not—are going to accommodate a cutback of that extent.

I want to take a look at the area where there was the largest cut. That was a cut from a utility planning and operations program, a cut of some \$33.58 million. Taking into account inflation again, at 6.6 per cent, the total cut in reality is closer to \$51 million, representing approximately 19 per cent of the budget. This at a time when the budget is supposed to provide for "the development and management of sewage treatment plants, water treatment plants, and liquid industrial waste treatment and disposal facilities."

I went through very briefly before the types of concerns we have with the existing abandoned sites and with the sewage systems. This time I have to go through the concerns I have about locating the new sites because those have been, again as I have said to you in letters, a prime concern for me. It has been a major problem for the municipalities in my area in trying to go through enough testing to establish an exact location, a safe location, for those waste sites.

I have a very difficult time acknowledging that the Ministry of the Environment is providing the type of leadership I think it should in encouraging municipalities to effectively allocate funds to site a waste disposal location.

A couple of examples from my area come from the township of Grey, which was involved in your program in doing studies to facilitate their licensing of a facility and had taken advantage of a program which you widely distributed, the grant program which provided up to \$4,000 to help the technical studies required to get a renewal of the licence. They embarked on the program and went from one study to another study to another study, based on submissions that were made by the consultants hired by the township of Grey. I have not checked back recently, but by the end of the most recent count they had spent some \$12,000 over what they had budgeted for.

It was a difficult sort of process for them to get a handle on, especially when it was incumbent upon them to meet the guidelines of the Ministry of Municipal Affairs and Housing, which said, "Thou shalt not stray from the five per cent guidelines." I know you made special efforts to provide extra funding for that, and the township of Grey was thankful in hindsight for that extra assistance, but it really did not deal with the problem of the lack of guidance on the

part of your ministry, I felt, to explain fully what these people were going to get into before they embarked upon the process.

I know the consultant in many ways felt he was flying by the seat of his pants in that he would prepare the report from the material he was able to accumulate and then he would get a letter back saying, "That is okay to this point, but I think we need this, and we need this and this." If he had been able to plan in the first place to do tests for specific things along the way, they would have been able to budget appropriately and come up with a much more effective job.

That is a complaint I have with respect to the location of the sites. I also have a question concerning the role of the ministry in the finding of landfill sites. I know the question of the Salford landfill site in Oxford, for instance, has caused major dislocations for that—I was going to say county, but of course it is sort of a regional, two-tiered system, a hybrid, I guess.

**Hon. Mr. Norton:** It is a restructured county.

**Mr. Elston:** Yes, it is restructured. It is actually regional in many ways, but they do not want to use that word any more because it is not looked upon as being a very appropriate term.

**Mr. Dean:** Oxford still is a county.

**Mr. Elston:** Yes, but it is restructured, as everybody has said. It is not really a county, it is a hybrid. It is neither a county nor a region.

**Mr. Dean:** It is a county.

**Mr. Elston:** We can get into heavy discussions on that one. I think that is probably another ministry; I am not sure.

**Hon. Mr. Norton:** Actually, I do know something about that because I once was involved in municipal affairs. If you would like to talk about restructured municipalities, I would be glad to get off on that for a while.

**Mr. Chairman:** Perhaps you could answer at the appropriate time next year.

**Mr. Elston:** Perhaps if we could go a little bit further, how the dickens can we let these municipalities budget, anyway, for such things as landfill sites, whether they are a restructured county, whether they are a region, or whether they are just a good old ordinary, everyday county or township? That is the real question. I think we have to give them much better guidance and better terms of reference so they can budget appropriately.

In addition to that, if they are going to be budgeting for those sorts of things, the municipa-

lities have to be assured of the types of grants they are getting, not only from the Ministry of the Environment but also the types of grants that are going to be coming in from the Ministry of Municipal Affairs and Housing.

**8:50 p.m.**

I am told that the municipalities received correspondence from the Ministry of Municipal Affairs and Housing indicating that they should provide for that ministry a five-year projection of expenditures. It is pretty easy to put out a projection of what they are going to spend, except that these municipalities are really at the whim of any number of ministries which are either able or unable to attain their funding level.

For instance, they may not be able to get the appropriate funding for a sewage treatment system from the Ministry of the Environment or they may not get a particular grant from the Ministry of Municipal Affairs and Housing, which really throws off their whole five-year projection for spending. It cuts back on the type of programming that they are able to fit in place for environmental control systems or landfill systems, as far as that goes.

I guess in the long run I am really asking the minister to explain to me the logic in allowing the reduction of some 33 million-plus real dollars, and if you look at inflation close to \$51 million in his budget, when we are coming into a time when we are dealing with the need for larger and upgraded systems for our urban areas for the removal of dioxin and other sorts of things from drinking water and also the cleanup of contaminated abandoned sites. How can you deal with a cutback in those sorts of numbers when we also have to deal with the whole question of providing an interim liquid industrial waste treatment and disposal policy?

We have a good start on dealing with the future with the use of the Ontario Waste Management Corp. to deal with the site in question. I do not question the integrity of Dr. Chant in coming up with a solution to that problem for the future, but the longer it takes to find that environmentally acceptable site, the more time we have to deal with an interim problem. It seems to me that Dr. Chant has completely washed his hands of dealing with the present and the past in terms of what he sees as his mandate. In fact, on occasions when I have spoken to him, he indicated that he did not really see it as his duty to provide a system that could adequately deal with what has already been discarded.

As critics of your ministry, we must come to you and say, "With the cutback in that portion of your budget of \$33 million, everything else being considered, how are you going to deal effectively with all this stuff that is being generated between now"—actually, now is really 1981 when the Ontario Waste Management Corp. was first created—"until at least 1987 when he has projected that his system may get into operation?" That is a very serious problem since we have a large volume of material being generated.

**Hon. Mr. Norton:** Except the reduction in budget is not targeted for that specific area. In fact, the bulk of it is targeted for one particular program which we were planning ultimately to phase out in any event.

**Mr. Elston:** It was an unsuccessful program?

**Hon. Mr. Norton:** No, it was not necessarily unsuccessful; it certainly had served its purpose; but to a very large extent we felt municipalities that were providing those services ought to be participants and preferably operators of the systems, as opposed to having provincially built and operated systems.

The money there will cover construction projects that are at present under way. The bulk of that money came from a particular program; it was not targeted for the general area of waste management, for example. It was primarily in the provincially constructed projects.

We can accomplish a lot through simply, if necessary, delaying the completion of projects, by stretching out the construction period. We can cope with cash flow problems that way, and that is legitimate.

**Mr. Elston:** You can deal with the cash flow, but what happens to the problems you really put the construction projects in action to deal with? That is also a concern. In fact, in this ministry it is probably the major concern you should have as a minister. If there is a problem you are making a capital project available for, you have to deal with that at the time—

**Hon. Mr. Norton:** I am not aware of a single such situation. In fact, that is one of the things I explored extensively with staff, as we were agonizing over how to allocate any reduction we might face. I think I am correct in saying that any projects that had met the criteria of the management by results committee, that would have been approved to proceed this year, were in fact approved.

I can go further than that and say that in terms

of the MBR rating we probably went lower this year on the list than we had in previous years. There is none I am aware of that was not approved for proceeding within the budget allocation where it was a priority consideration.

I suppose, to some extent, that is a reflection upon the cumulative work that has been done in the past. You reach a point where you have accomplished a lot in the construction of water and sewage projects. You do not start dismantling and rebuilding them just to keep the program going. We probably have the most extensive infrastructure in place in this province of any jurisdiction I know.

In the urban setting, and that includes smaller communities as well as places like Metropolitan Toronto, something like 94 or 95 per cent of our population is being served by sewage treatment systems. An even higher percentage, I think, is being served by water treatment systems. Most jurisdictions do not have anything like that.

That is to be considered when one is reflecting upon where the targetted reductions occur.

**Mr. Elston:** I guess the other question we have to deal with as well, when I raise the question of waste management in the interim, is the whole question of the ongoing debate between the Ministry of the Environment and the Ontario Waste Management Corp. It really leaves us to wonder whether or not there is a great bulk of material being left out by the Ministry of Environment when they deal with this interim problem. There is a question of whether there are 60 million gallons of material generated, or 330 million gallons generated as indicated by the OWMC.

Is there is a problem of definitions? Regarding the 270-million-odd gallons of material over that which you see is being generated and dealt with, if that stuff is not being treated by you, or if you feel it is being treated adequately, how do we deal with the anticipated size of the site that Dr. Chant is preparing himself for?

Somewhere along the line I am afraid we are going to lose some of this stuff again. It is a question of making sure we have adequate treatment facilities in the interim, as well as being able to deal with treating this material in the future. That is an area of pretty grave concern.

While I am on this, the other question I have to raise with the minister is, ultimately, the accountability of the OWMC to his ministry. I think it was a noble stroke of genius for your ministry to take that step, to isolate itself from

this very difficult public relations problem; that is, determining where you dispose of hazardous waste chemicals.

You have probably learned some pretty good lessons from the ways other ministries have handled these public relations problems and more or less eliminated at source the type of political controversy which usually surrounds the location of either the power line, as in the case of the Ontario Hydro hearings, or as in this case a waste site. The "not in my backyard" syndrome is equally as applicable in both situations.

At the same time, I hope the minister is putting himself in a position where he can still have significant impact on ensuring the accountability of that corporation to the public of Ontario in its own spending habits.

**9 p.m.**

We were at the meeting of the standing committee on public accounts last Thursday morning, checking with the Provincial Auditor and Dr. Chant concerning certain issues which had arisen last fall. These were: the amount of remuneration Dr. Chant is receiving; the amount of expenses he is able to pass on; the types of consideration he is paying certain individuals so that he can pluck them from private industry into the service of the province's corporation; and the types of practices he has in dealing with the hiring of consultants for public relations and the hiring of auditors in addition to the Ontario auditor, who has the ultimate authority to deal with the accounts.

I hope the minister will not allow the Ontario Waste Management Corp. to go the way of Ontario Hydro. I hope he will always make this new public corporation accountable, one way or another, to the people of the province, who ultimately pay the cost of all this.

We spoke with Dr. Chant again yesterday morning at the round table. Our concern—at least, the concern that was raised; I did not raise it myself—was how do you operate this corporation. How do you charge for the operation of the corporation? How do you charge for the operation of the site by the corporation, to ensure that we are really just passing on the costs and not a substantial amount more than we are really bargaining for at this point?

Only if the minister is involved up to his eyeballs in making sure the costs are kept in mind and in check will we be able to feel that the corporation is not going to get out of control. We were all surprised in public accounts com-

mittee last Thursday when Dr. Chant indicated that with respect to his remuneration he was really talking to the Premier (Mr. Davis) and not to the Minister of the Environment.

In terms of accountability somewhere along the line, if everything is going to be approved through the Premier's office we ought to be told that now. If this is a corporation which is going to be dealt with through the Premier's office, we really ought to be told that now. The budget for that corporation ought never really to come to the Minister of the Environment.

**Hon. Mr. Norton:** Perhaps I could just clarify something at this point in that regard. I do not think it is a secret, and it was certainly never intended to be a secret. The initial hiring of Dr. Chant was, as I understand it, handled primarily through the Office of the Premier. That does not mean this is the point of accountability of the corporation.

Certainly, for the time being, the corporation is accountable through the Minister of the Environment. Over the last year there have been some important points of clarification necessary in that relationship. There are ongoing efforts to clarify it further. This is something that will probably take some time before it is, as you might be aware—I think you have a copy of the memorandum of understanding as between the ministry and the—

**Mr. Elston:** It arrived not too long ago.

**Hon. Mr. Norton:** You had it all, I think, as soon as it was approved by Management Board.

**Mr. Elston:** You mean the memorandum took a long time to come about? The understanding was not there between—

**Hon. Mr. Norton:** No, that was not the problem. The signing of it was dealt with before the end of the last calendar year. There were still some outstanding questions to be resolved before Management Board, which were resolved fairly recently, just prior to your receiving a copy of it. Those have now been resolved.

As far as accountability is concerned, I do not think there should be any doubt in your mind, or anyone else's at this point, that the corporation is accountable to the public through the Ministry of the Environment. That may not be the long-term arrangement. I have expressed before the view that there is a potential for some confusion of roles on the part of the ministry if that is a long-standing relationship.

I think once the corporation is up and running, or operating, it might well be desirable to

have it accountable through another ministry. I see our role, at that point, as being the same as our relationship with any other corporation involved in waste management.

If we have the responsibility for the regulation, the supervision and the policing of the operations of that corporation, it may be seen in the eyes of some as a conflict situation if they are also accountable to us. That is not something that has been resolved, but I see that personally as a potential issue to be dealt with at some time in the future.

**Mr. Elston:** I still harbour one concern to a certain extent. I think of the chastised child running from one parent to the other, hoping that the second will be much more agreeable.

Being that this child may be more a creation of the Premier's office than a creation of the Ministry of the Environment, you might think that the favourite—at least, whenever I speak to Dr. Chant or when I hear him speaking and he talks about his ability to get away from the political edge of the siting problem, he cites the undertaking of the Premier's office more specifically than any other.

I see that as what he believes to be, I suppose, his ultimate leverage in the use of that office over the office of someone in a better position to judge, I think: the Minister of the Environment.

**Hon. Mr. Norton:** I do not see that. I am not sure what he is referring to there or what he has said.

**Mr. Elston:** His independence, really.

**Hon. Mr. Norton:** No one who is chairman of a crown corporation is completely independent. Obviously, there is an accountability that has to be constantly borne in mind. I would be the last person to suggest that the Premier is not the first among equals.

**Mr. Elston:** The most equal of all.

**Hon. Mr. Norton:** That is right. If there should at any time be a major dispute between me, as a minister, and someone who happens to be the chairman of a crown corporation, it may well make a lot of sense that the first among equals resolves it.

**Mr. Elston:** And that the minister then have time to write his book.

**Hon. Mr. Norton:** That is possible, too. I actually have the first draft already finished.

**Mr. Elston:** While we are at that stage, I would invite the Minister of the Environment to provide us with a little bit of insight as to how his

ministry is dealing with Dr. Chant's operations to determine the site.

What sort of input has he in dealing with that location? What types of policies are being considered? What type of input is his ministry having on the overall projection from a policy standpoint, particularly in dealing with the technical studies, which I know are being done through consultants and otherwise by the OWMC?

**Hon. Mr. Norton:** I hope I am not hearing you asking, though, that we infuse ourselves, after we have gone to the extent we have—not to isolate ourselves, as you suggest, from the public relations problem or whatever, but rather to deal with what is a very real problem in the eyes of the public, this nagging concern that considerations in the location of such a site may not be entirely objective. When we have gone to the extent we have in trying to ensure that this is the case, both in reality and in perception, through the establishment of the corporation, the establishment of a hearing panel and through the establishment of a process which really does remove that from a political decision-making process, are you suggesting the minister ought to infuse himself into that and start changing it back to something less objective?

9:10 p.m.

**Mr. Elston:** No, I am not suggesting that sort of thing. I am looking at something altogether removed from that. I am looking at the types of policy considerations your ministry has to deal with in an overall strategy, such as you are developing through the blueprint.

For instance, have you been able, as a ministry, to provide some information to Dr. Chant so that he can consider whether his corporation should not only be the locator of this site but whether it should also be the operator; or whether, as was suggested to me on some occasions by private individuals, it should try to tender out the operation of this site, with the corporation in an overseeing capacity? There is the question of whether they should develop, as a corporation, a vertically and horizontally integrated industry under themselves, or whether they should be using, for instance, the existing trucking system to deal with the transportation of the waste.

Those are the types of policy areas I think the Minister of the Environment, and the people of Ontario through the government, might be able to shape without getting entangled in the objectivity which was so well established in 1981.

**Hon. Mr. Norton:** My confusion there was that I thought you were referring to the siting of the facility.

**Mr. Elston:** I would not expect the minister to get into his rubber boots and plod out and mark the X.

**Hon. Mr. Norton:** I would if it were necessary. On the point that you have now clarified—at least it has been clarified in my mind; whether you were clear before and I was not I am not sure—on the question of the mandate of the corporation, I do not recall, as I do not have the legislation with me, but it certainly has been my understanding that they would be responsible not only for the siting but for the operation. If at some point in the future they see there is a role that could be played by contracting it out, then that is something, I suppose, that would have to be considered as a policy decision at the time, but it has certainly not been contemplated by me up to this point.

With regard to the relationship with the private sector, there was some confusion there, I think, in terms of statements that were reported from public meetings on the part of staff of the corporation. It has now been clarified by us in that we have made it clear that the existence of the corporation does not mean they take over all of those areas where the service is being provided by the public sector.

If, at some point, in terms of the viability of the operation certain decisions have to be made in that respect, they will be made as policy decisions by the government, not by the corporation. That has to be clearly understood. The scope of the operation of the corporation will be determined by the government, not the corporation.

**Mr. Elston:** While I am on this area as well, speaking about co-operation or participation by the Ministry of the Environment in the policy considerations, I would also like you to consider the participation of OWMC in the compilation of the blueprint. I understand there was some concern raised at the time you announced the project that there had been no prior consultation with OWMC, or at least an indication to OWMC that there was going to be such a blueprint, or that they were going to be involved as a participant, although I think it would have been absolute folly if you did not include them.

My concern is that there appear to be some difficulties that have been raised or that are beginning or which appear to be in existence already. I think we have to make sure there are

no gaps into which a number of wastes will fall and be lost, somewhat similar to the situation with the difficulties with our waybill system.

I think those are the real problems which we must consider when we set off an entity unto itself to deal with this specific problem. How do you define that hard line between the two, and how do you make sure there is a very close working relationship between the two as well, well-oiled or whatever?

**Hon. Mr. Norton:** You made reference to developing difficulties. I do not think there are any difficulties that cannot be resolved by—

**Mr. Elston:** Understanding.

**Hon. Mr. Norton:**—understanding, by people who understand the mandate of the constitutionally and duly elected government versus the responsibility of a legislatively mandated crown corporation; that should not be difficult to understand.

**Mr. Elston:** Will we have the same track record with the Ontario Waste Management Corp. that we have with Ontario Hydro?

**Hon. Mr. Norton:** No.

**Mr. Elston:** That situation fits right into your—

**Hon. Mr. Norton:** I think the evolving relationship between the ministry and the waste management corporation is a very healthy one and will continue to grow and mature, and there will be a clear understanding—

**Mr. Elston:** In the fullness of time.

**Hon. Mr. Norton:**—of what the role of government is and what the role of a crown corporation is. That is not a problem, certainly not in my mind. I have a clear understanding of what that should be.

With regard to the reference to the blueprint, all I was announcing at that time was the intention of developing a blueprint and the fact that we were going to consult. The fact there was a crown corporation created does not, in my mind, mean that every time I make a decision I have to touch base.

I did not, neither did the Ministry of the Environment, transfer its constitutional mandate to a crown corporation. That has to be understood. I do not have to touch base with any particular creation before I make any decision with respect to blueprints or whatever.

The fact of the matter is that following the announcement of our intention we certainly did invite, as we ought to have, the waste management corporation to participate, the same as

any other entity with the province, in the development of and the making of suggestions leading to the development of that blueprint. I think we had our priorities and our perception clear and straight. If there was any misunderstanding, I do not think it was on our part and I hope it is now cleared up in the minds of anyone else who might have had a misunderstanding of that point.

**Mr. Elston:** I have strayed a little from where I wanted to be at this point. Really, what I was getting into was dealing with the reductions that appear through your budget and how I thought those were going to cause some difficulties. We went into that area basically because of the cutback in budget areas.

I want to enumerate three or four areas under vote 2102, environmental planning; namely, air resources, water resources, waste management and lab services. Those are reduced respectively by the following amounts: \$367,000, \$359,000, \$779,000 and \$823,000.

I think if you take a look at the type of operations you are getting into right now, particularly with North America's best and foremost laboratory facilities, \$823,000 is a substantial cutback, bearing in mind the heavier burden they are probably going to have to deal with over the short haul.

**Hon. Mr. Norton:** I think we can lay to rest your concerns on that when we get to the vote and item and get into that in some detail. It is a bit deceptive; it was not intentionally deceptive.

**Mr. Elston:** Is that not the whole process, to hide as many of these dollars—

**Hon. Mr. Norton:** No. The problem is not necessarily a case of comparing apples. What happens is that in some of those instances, as a result of the reorganization, certain responsibilities were moved around and the money followed it. I think we can give you the detail on that and I hope resolve your concerns.

**Mr. Elston:** After all, the purpose of these estimates is to clarify exactly what is happening and how we are going to deal with the types of policy problems that exist.

For instance, in dealing with the monitoring and cleanups around Perkinsfield and Upper Ottawa Street: at Upper Ottawa Street they are suggesting that there may be a requirement for an expenditure of \$1.5 million, if you deal with that gas collection and flaring system they are discussing currently and which has been recommended by the committee studying the area. There are those sorts of requirements; projects

involving the type of money that may be needed to deal with the Malvern site.

**9:20 p.m.**

I do not know whether you are still going to be playing with that hot potato or not. We had a special resolution of the last House dealing with the carrying forward of the Malvern waste legislation, but we have not seen that bill to this point. I guess we will not see that bill this time. I do not even know whether there will be some special measures taken to ensure that it survives this time through.

**Hon. Mr. Norton:** I think you will find that, probably within a matter of a very few days, you will be—

**Mr. Elston:** When we are out of here.

**Hon. Mr. Norton:** Well, no; who knows when we are going to be out of here? I did not know until today that there was even a chance we were going to be out of here tonight. I think the resolution of that will be quite clear within a matter of a few days.

**Mr. Elston:** The concern is still that this one has been kicked around for a number of years. The citizens of that area have developed a great deal of concern, because they have seemingly slipped through the smooth operations of both federal and provincial governments; and even, in the provincial area, between the responsibility of ministries.

Now we are left with the local member, the Honourable Tom Wells, holding this hot potato as it were, and sort of throwing it from his right hand to his left hand, all the time looking for some second person to come into the play. Everyone keeps diving for the ditches so they will not be seen.

**Hon. Mr. Norton:** It is not that. You are really seeing the actions of a very courageous man, trying to deal with a problem that is really under the jurisdiction of the federal government. He is trying to bail the feds out.

**Mr. Elston:** That sounds like Premier Davis. He offered himself at one point, and was refused.

**Hon. Mr. Norton:** We are always willing to move in where others are paralyzed.

**Mr. Elston:** He had noble intentions at one time, too, but he is back here. He was very much away from here most of the spring, I am afraid.

Interjection.

**Hon. Mr. Norton:** Certain others recognized his tremendous contribution not only to this province but to this country, and pressed him to

the point where he had to address an issue that he did not necessarily want to address.

**Mr. Elston:** I think it is fair to say that he felt far more equal here than he really would have in Ottawa.

**Hon. Mr. Norton:** You have to recognize that he is the first among equals in this whole country.

**Mr. Elston:** Anyway, I wanted to bring to your attention a \$600,000 reduction in your budget, dealing with radioactive soil removal.

**Hon. Mr. Norton:** Some time, quietly, privately and honestly, I would like to rate him on a scale in comparison with our present Prime Minister. I will not ask you for a response now.

**Mr. Elston:** Actually, I think they are so closely related that it is very difficult to separate them at times.

As well as that \$600,000 reduction in radioactive soil removal grants, I want to bring to your attention that, under the category of waste management, which we talked about in your budget as having received reductions, the waybill system falls under that category. If there is one really substantial problem we have to deal with right now it is setting up and incorporating a better strategy for dealing with the waybill system in Ontario.

One of our concerns yesterday—again, at the round table on hazardous wastes—was how do you define what is hazardous or nonhazardous. Even more primary than that is the question how do you determine what is even being produced here. Once you know what is being produced, how do you track it down? We are certainly not able to do that now.

The experience of the Upper Ottawa Street dump was that there was a loss of some 500,000 gallons of material once destined to go to that site. We could not track it down. We could not find out where it came from, nor where it went.

Somehow, we have to make sure we put a system into play that is going to be able to do that. Then we can get down to dealing with what sort of disposal methods we can develop for that. Again, that may reflect—

**Hon. Mr. Norton:** I can give you a whole presentation on that right now, if you like.

**Mr. Elston:** In the fullness of time would probably be better.

**Hon. Mr. Norton:** In the fullness of time? All right, we will note that you have raised it. Now, make sure you allow us the time to make the presentation.

**Mr. Elston:** Okay. The other example we have, of course, is the question of the disposal of waste at the Perkinsfield dump area in 1978.

This is something that very much concerned me, because the property where the material was dumped was not, in itself, licensed. However, there was a site on that property which was licensed and subject to monitoring by your officials. Somehow, large areas of illegally dumped material were never discovered until later, in 1982, even though it happened in July of 1978 or some time thereabouts.

That is a concern to me. A cursory walk around the site, just to have your ministry officials assured that another area of that property was not being used in addition to the one that was licensed, would probably have indicated the type of activity that was going on. Certainly, I think the monitoring was not as substantial as it might well have been with respect to that site.

I have three areas in my remarks listed under correcting the record. I guess they are really just points that have been raised in the House. We have—

**Hon. Mr. Norton:** The Speaker has said you cannot correct anyone else's record; you can only correct your own.

**Mr. Elston:** That is right. However, in this case, the record needs correcting in Hansard of May 30, 1980, in answer to some questions there.

I think this is probably one of the weaknesses of the House: somehow, you cannot provide the information to the public after a question has been asked, other than by making a press release or by coming into estimates.

There is never, ever, a follow-up statement by any minister with respect to a question that he has answered well or imperfectly, other than if he gets caught in a scrum. Generally speaking, a good skater is able to weave and bob through the reporters as he does through the questions in the House, and you are a very good skater.

On May 30, you stated—

Interjections.

**Mr. Elston:** I was just helping out. The first among equals may be looking for some of your great attributes in trying to promote you. As a good skater, he might consider you going into sports and recreation or something, I do not know.

Anyway, with respect to the Perkinsfield situation, you had stated there were a couple of wells which were contaminated. In fact, there

are four wells there. I know you probably have that information available somewhere. You probably have a printout somewhere, with all the wells in Ontario that are no good, or contaminated, the number of people who are drinking bottled water, and the number of people who are able to receive bottled water, or whatever.

However, I just wanted to list those wells for you. There is the Therrien well, the Kramer well, Gary Posey's well, and Eugene Pauzé's well. The latter, Pauzé, is spelled P-a-u-z-é.

What you may be doing or trying to do in some of your answers is to attribute the pollution to a source, or at least to speculate about the pollution source for these different wells. The fact remains that the wells in this area are all polluted. Your ministry has to deal with the concerns of those people, and their proximity to the Pauzé landfill site.

**Hon. Mr. Norton:** Surely you are not suggesting that we ought not be concerned about what the source of contamination found in any given well might be, rather than sort of—if there are indications that it is not associated with the source that one would immediately suspect—

**Mr. Elston:** You should probably say, in your answer, and in fullness—and I know you try to cut your answers down as much as you possibly can—

**Hon. Mr. Norton:** When I do not, the Speaker does.

**Mr. Elston:** —that these particular wells are contaminated. However, you say this one or that one is not subject to pollution from the landfill site. If that is what you are speculating, or if that is what your studies indicate, you should provide a full answer to that extent.

9:30 p.m.

**Hon. Mr. Norton:** The next time I get cut off by the Speaker, will you rise in my defence and ask that—

**Mr. Elston:** I will.

**Hon. Mr. Norton:** You say that tonight because you think the House is going to rise and you will not have the opportunity to do that for a few months.

**Mr. Charlton:** That depends on what you get cut off on.

**Hon. Mr. Norton:** I suppose. However, on the one hand, here is Mr. Elston pleading for me to give fuller answers while, on the other hand, the Speaker thinks my answers are too full and, therefore, he cuts me off. It is only my col-

leagues who stand once in a while on a point of order, privilege or whatever and plead with the Speaker to let me carry on. I have not heard you do that.

**Mr. Elston:** I have only pleaded with the Speaker to draw your attention to the question at hand. I do not mind your referring specifically to the question that has been asked; I have no problems with that at all.

For instance, if I asked you how you were going to ensure that the General Public Utilities sale did not contribute to greater pollution for Ontario, I would have thought you would have come out and said that your ministry had decided it would install or enforce the installation of methods to scrub that.

**Hon. Mr. Norton:** However, in responding to a question like that, surely you have to recognize that it is important that I first establish—

**Mr. Elston:** That you can skate.

**Hon. Mr. Norton:** No, that you fully understand the pollution implications of what is happening in the province at the present time.

**Mr. Charlton:** We understand that fully.

**Mr. Elston:** We already know that.

**Hon. Mr. Norton:** I am not sure.

**Mr. Elston:** That is a given. However, let me go on. I have several other areas to deal with and I am going on much longer than I had anticipated. I do not want to cut into Mr. Charlton's remarks too much.

The area I am very much concerned with is still access by individuals to environmental information and access of individuals to the courts in situations of environmental problems arising in their areas. To a certain extent we raised a question along those lines today, dealing with the C. H. Lewis landfill site in Lucan, where the citizens' group is really being denied access to the particular technical data originally requested to be generated by your ministry.

As I understand it, your ministry had turned down a request initially made to you by the citizens' group to make a report available. You made it clear to me that you felt it was a decision of the appeal tribunal. In any case, whatever the decision or whatever the case is, I think we really have to have an undertaking from you, as Minister of the Environment, where there is a private intervener in particular, he, she or they should have equal access to the types of technical data generated either by your ministry or at the insistence of your ministry.

In many ways, that is one of the primary

prerequisites of an open and well-functioning environmental check and balance system in Ontario. I do not think that we can, as a government, rely solely upon your ministry to deal exclusively with enforcement or whatever. I think we have situations where we have discovered that citizens' groups have had valid reasons for pursuing a concern but have not had the forum in which to do it. The question of class actions, the question of whether or not they can pursue an action to deal with what is technically now a nuisance but where they cannot establish specific or particular damages, all those types of things have to be dealt with by your ministry in terms of policy.

I would like you to comment specifically on aspects of our Ontario environmental rights bill, which we have filed two or three years in a row now. We did not introduce it this year, or at least this last time, but we have seen some steps forward. I have even seen a section or two that looks strangely familiar being introduced in some of your proposed legislation. For that I commend you, even if you do not provide us with some of the credit for generating those ideas.

I know there are other areas where, if you were sitting in private contemplating the valuable contributions of the opposition, you would come out and provide us with accolades to no end in terms of spurring your ministry on to greater and better things. I can see no better example than the acquisition of certain outstanding individuals in environmental policy and research analysis in your ministry. This indicates to me that you have been spurred on to those greater accomplishments by the undying and continuing pressure from a very loyal opposition that Her Majesty has instructed to keep you in check.

**Hon. Mr. Norton:** Far be it from me to ever fail to recognize the contribution of persons like yourself to the development of policy in Ontario. I do think it is important as well, if we are going to engage in that kind of candid observation, that you ought at the same time to acknowledge, for example, that when I received a petition in opposition to the Ontario Waste Management Corp., one of the names prominently on the first page of the petition in opposition to the OWMC's efforts was none other than that of one of your caucus colleagues.

That is not the first time that has occurred. When certain other options with respect to handling some of these problems were being explored—I recall Ajax, which was prior to my

time in the ministry—certain members of the opposition caucuses were the first people out there in the field running door to door trying to stir up opposition.

You cannot play both sides of the fence and say you are making a great contribution to the development of progressive policy in the area of environmental protection in this province and at the same time run around and generate the opposition which makes it almost impossible to create that program.

**Mr. Elston:** I think that is unfair. I think that is part of the political program that the minister plays.

**Hon. Mr. Norton:** No, no; hold it. I am not out there doing that; it is your colleagues. I am not sure that you have ever done it, but—

**Mr. Elston:** One of the roles of the opposition is to generate the sort of public information required for the public to be sensitive to the types of decisions that are being made without your having consulted them. That is our role.

**Hon. Mr. Norton:** Now we are being candid in our observations, are we not? Let us call a spade a spade.

**Mr. Chairman:** I wonder if we are not straying a little from the critics' statements here. Perhaps the critic would like to continue.

**Hon. Mr. Norton:** Excuse me, Mr. Chairman. There is a clear distinction between information and deliberately trying to stir up opposition to the resolution of a problem. I am not accusing you of having done that; I am not aware that you ever have; but certainly some of your colleagues and some of Brian's have participated in that sort of thing in the past.

**Mr. Elston:** In any event, we still have a long way to go. I think what I will do is cut my remarks short, but only to—

**Hon. Mr. Norton:** I did not mean to cut you off. I am sorry.

**Mr. Elston:** No, no; I had gone on quite a lot longer than I had intended.

**Hon. Mr. Norton:** I get accused of doing that all the time.

**Mr. Elston:** We still have some things that Brian wants to bring in; however, before that I want to bring your attention, sort of in point form, to a few of the areas on which we still have along way to go. One is the question of dealing with acid rain.

For instance, there are the emissions from our large-source polluters like Inco, Falconbridge, Ontario Hydro. I think it is not good enough to

tell the public in Ontario that Ontario Hydro is committed to a cutback of 50 per cent of its emissions by 1990, while it is well within its reach to cut back substantially more than that. Right now they are closing down a good number of the plants which are source polluters. I think if they introduce, a little bit sooner than now appears the case, the burning of low sulphur content coal—higher grade coal—and introduce washing techniques and other things, we could be well ahead of the program.

I do not think that it is fair for us to have to wait until they fulfil the terms of their regulations. I would like to hear you talk more specifically about that. I would also like to hear you speak very candidly about the types of operations which you hope to see at Inco and Falconbridge. I know they have some newly introduced processes which are helping, and I publicly acknowledge the type of technical strides they have made to separate sulphur from ore in the smelting; but I have to ask you whether you would agree with the sentiment expressed by Ron Irwin, who indicated he felt that there was a 10-year program in place which would see Inco reduce its emissions to under 1,000 tons a day, whether you think that is adequate.

**9:40 p.m.**

I would like you to comment also on the position of your ministry as to whether you think it is fair, from a policy standpoint, to have Canadian society, because we do transship some of that pollution, wait until it becomes profitable for Inco to reduce its emissions even further.

In that sense, I wonder if the minister has not spent some time, in speaking with his staff and with Inco on various occasions, dealing with the whole question as to whether there is a role the government can play to eliminate some of the variables which Inco and other large corporate polluters have to deal with on a bottom-line basis, for instance the profitability, the payback of capital, the market conditions. What steps is the ministry going to take to eliminate those variables, or at least stabilize them so we can make the decisions necessary to ensure reduction of our pollution in a number of areas, specifically, at Inco, Falconbridge and Ontario Hydro, because those really are, after all, the most public or most visible of the polluting sources?

The other question is, what sort of role does the ministry take when it comes to the whole question of the location of tower lines when it

deals with Hydro questions? In one sense or another, I suppose we are still dealing with an environmental hazard as far as our ecosystem is concerned. What do you do if the tower lines knock down flying or migrating birds? What do you do with the tower lines that disturb bogs? What do you do with the tower lines that cut across the Niagara Escarpment, as they will do as a result of the change in routeing from the site of the Bruce nuclear power development.

Those types of concerns are also ones that have to be dealt with when dealing with the environment in policy considerations.

I think what I will do now, minister and Mr. Chairman, with your permission, is stop there and provide Mr. Charlton with some access to committee time as well. I will have more particular questions.

I passed on some very specific questions earlier about Perkinsfield which perhaps may have to be answered in correspondence rather than waiting until September.

**Hon. Mr. Norton:** Without going into a lot of detail, I would like to respond specifically to the concerns raised with respect to acid rain, particularly concerning Ontario Hydro, Inco and Falconbridge. We can give you much more detail on what has been done and what is going on in that area later on when we get to an appropriate vote and item.

One of the things I think I made reference to in my brief opening remarks was that efforts have been under way now for a little over a year.

**Mr. Elston:** I do not remember that.

**Hon. Mr. Norton:** I think someone said you were out of the room. This was on Thursday evening last.

**Mr. Elston:** I was here all evening. I accepted the punishment all night.

**Hon. Mr. Norton:** Then you must have been sleeping.

Under the chairmanship of Ontario there has been a series of meetings involving the provinces—primarily from Manitoba east, with Manitoba having some mandate to represent the western provinces in these discussions—as it related to the question of the abatement of sulphur emissions from province to province. We have made a lot of progress there and a lot of it has been as a result of the development and application of the computer models that have been developed by Ontario, looking particularly at receptor areas and relating them to emission sources.

The reason that at this particular point it is not possible for me to say what the optimum

target ought to be for Inco, Falconbridge, or even Ontario Hydro, is that we are now in Canada taking a broader approach to the question of abatement. It may very well be that Ontario will have to do more than other provinces by virtue of ours being a more industrialized economy.

We have reached a consensus with the other provinces as a result of a meeting a couple of a week ago this past Friday in Ottawa with the federal Minister of the Environment on the target—

**Mr. Elston:** You are friends?

**Hon. Mr. Norton:** Yes, we are still on very good speaking terms. There is no problem whatsoever.

**Mr. Elston:** You just keep dumping on him all the time in the House here. I do not understand how he is so generous.

**Hon. Mr. Norton:** He understands. We have agreed upon, or there is a consensus with respect to, a deposition level, which is, I think, significant, and agreement with respect to an approach to sharing the reductions. We are now proceeding to explore the issue of incentives and the economic implications of those reductions. We are, I think, much further ahead than anything the United States is doing in this regard.

We have looked at specific kinds of incentive programs and a steering committee of deputy ministers from those provinces and the federal government has now been mandated by the ministers to carry out an investigation during the next few months on those economic aspects. I think the reporting date is mid-fall sometime.

We have really made very substantial progress. Once we have reached that point, we will be in a much better position to say: "Yes, Inco, that should be the target. That is the target you have to achieve." Then we will perhaps have also in place at that point a means of dealing with the latter part of your question on the bottom line.

**Mr. Elston:** I guess the question still comes down to a point of whether there are limits which can be projected to be achievable by a corporation, based on their market conditions, their capital input and things like that. I guess really what I am indicating is that somewhere along the line the ministry is going to have to say: "This is the target. If the market conditions and capital outlay do not allow you to do that, then we are going to have to take an active role

in that and somehow make arrangements for you to pay it back;" or whatever.

**Hon. Mr. Norton:** That is what I meant when I talked about incentives and other possible involvements of various levels of government.

The other thing we have to be careful about, and I think it is recognized among the other provinces as well, is that the burden somehow be equitably distributed, so we do not have a situation where we create an industrial disincentive in certain parts of the country in terms of locating there or an economic dislocation within the country; or on the other hand, create what we have been referring to as pollution havens by virtue of the kind of policy developed. We are very cognizant of that.

**Mr. Charlton:** I would like to start out my comments in these estimates by saying to the minister that before Mr. Elston came in tonight we were having a somewhat joking discussion about how we should proceed in his absence. The minister at one point accused me of being too easy going. I want to suggest to the minister that I would sincerely hope, if he is still the minister of this ministry after this summer—

**Mr. Piché:** He will be.

**Mr. Elston:** He has been condemned.

**Mr. Piché:** He has to resolve my matters, so he has to be.

**Hon. Mr. Norton:** If I get any messages in the next few weeks, René, we will resolve it very quickly.

**Mr. Piché:** All you have to do is stay away from your phone.

**Mr. Charlton:** Do not answer the phone and they cannot kick you out?

**Hon. Mr. Norton:** That is the message.

**Mr. Charlton:** I hope in future you would insist strongly—and I think both of the opposition critics would support you in this since you carry a little more weight than either of us in the scheduling of the estimates—that we get 16 straight hours as opposed to splitting the estimates up over the summer, especially in the light of the fact that it is very likely we will have completed only our opening statements by the end of this evening and that major segments of your own, Mr. Elston's and my opening comments may be completely irrelevant by the time we get to the discussion of the sections of the ministry.

9:50 p.m.

**Hon. Mr. Norton:** If we should all be changed in terms of our roles between now and the fall, I

would hope that those who succeed us would have the wisdom to sit down and read back into the public record every word we have uttered in the last couple of nights.

**Mr. Charlton:** I don't know about that.

**Mr. Elston:** That may generate another change almost immediately.

**Mr. Chairman:** Some of us may still be here.

**Mr. Charlton:** At any rate, I would like to make a few comments about the minister's opening statement and to start off with his recent announcement about the Blueprint for Waste Management.

First, I would like to say that it is a process which is, I hope, beginning now. It is long overdue. From our perspective, much of the rhetoric in the blueprint discussion is useful, but only if it means something in terms of action in the long run. It is something that many of us will be watching very closely in terms of what evolves out of the process the minister has announced.

It is an area of extreme concern to many of us and, I think, probably to the minister as well. As he well knows, we are into an era where the establishment of new disposal sites for the large quantities of solid waste we generate in this province is becoming more and more difficult. Even if a site were to receive nothing but cans and bottles, the public would not readily accept it.

It is imperative that we move as quickly as possible through the process of reducing the amounts of solid wastes required to be disposed of in a site such as a landfill site. We should, therefore, extend the length of the life of those existing sites that we still have to use. We should also limit the need to go into communities with what becomes a very disruptive process, especially in light of the kinds of revelations we have had about the other substances that have gone into sites in the past, and to some extent still go into sites.

While we are talking about the question of waste management, I would like to pick up on the minister's comments in his opening statement about the Waste Management Advisory Board. I do not want to get into a lot of detail at this point. We will have some discussions about it this fall, I hope.

I would like to pick up on what the minister set out as a recognition and a thank you, I suppose, for the work that the Waste Management Advisory Board has done. I would also like

to say that during the course of these estimates I would like to have a full discussion of that.

It is my perception, my feeling, that perhaps the life of that board should not have come to an end. Perhaps its mandate should have been somewhat changed. It is my feeling that there was still a role for that board to play in an objective sense, in terms of perhaps, on the one hand commenting about the direction that the government has taken, and on the other hand providing some research.

I say that not because the minister and his staff, and the ministry itself, are not capable of research; however, it seems to me that a lot of the work done by the Waste Management Advisory Board was done a considerable number of years ahead of the time when the the ministry and the discussions reached the political stage of being ready to deal with those subjects.

To have that kind of research being done somewhat in advance is not, in my view, an irrelevant process. It can be a very relevant process, both from the perspective of starting discussions perhaps a little bit ahead of their time and from the perspective of providing a ready base from which to start when the political process reaches the stage of dealing with that particular need. I would like to have a full discussion of that particular matter when we come back in the fall.

I would also like to pick up on some of the comments the minister made about acid rain in his opening statement. First, I just want to get some clarification. I think I can assume what the answer you are going to give me will be; however, it is something that concerns me in a perceptual way. The minister knows that the public we serve is not always party to the full discussions we have. I say that I think I know what the answer will be because of a number of discussions that we have had in the past and the comments of the minister in those discussions.

However, the words that you use can sometimes create problems. For example, you were talking about our commitments and Canadian commitments to the fight against acid rain. I will quote you here: "Canada is committed to an overall 50 per cent reduction in emissions if a comparable commitment is made by the United States."

The first question that anybody out there who hears that kind of comment asks himself or herself is, "What does that mean? If we cannot come to some kind of an agreement with the

United States, does that mean we do not do anything?"

Again, I will let you answer in a minute; however, it is very, very important in a perceptual way. I have talked to the minister in the last two sets of estimates about that public image out there, that the public fully and clearly understands what the intentions are.

As I said at the outset, I think I already understood that what those words say was really what the minister meant. However, the intent is, and the minister will correct me if I am wrong, that we in this province will live up to that commitment, regardless of the agreements we get with the United States. We will target for that 50 per cent reduction, regardless of whether or not the Americans agree. I certainly hope I have interpreted his past comments correctly.

**Mr. Elston:** If you could only correct your record.

**Hon. Mr. Norton:** This is not a correction; it is an elucidation. In February 1982 there was a meeting here in Toronto from which that commitment emerged. It was chaired by the Honourable John Roberts and attended by the provincial Ministers of the Environment as well as staff from their ministries.

The way it was stated in my remarks is accurate. It was intended to reflect that whatever efforts were made here in terms of ultimately protecting the environment they were futile without American co-operation. This did not mean that we were not committed to unilateral action in the absence of any commitment on the part of the United States. There was a very clear and strategic reason for stating it the way it was stated.

Regarding the discussions that have gone on, which I referred to a moment ago in terms of the meetings chaired by Ontario over the last year, as we have looked progressively at the product from the application of the computer model, it has become increasingly clear that, whatever efforts were made in Canada, we could not achieve the deposition levels of acid that are required in order to protect the sensitive areas of our environment without American co-operation.

**10 p.m.**

We have agreed that even though we must maintain that position, we in Canada will continue to move unilaterally in terms of abatement of emissions. I hope that clarifies it.

**Mr. Charlton:** I understood that to be your position. My problem, and I am just putting it to

you, is that this is not clearly set out here. I do not know who from the media, for example, may have been at the meeting that you are talking about, the one in the spring.

**Hon. Mr. Norton:** You mean the spring of 1982?

**Mr. Charlton:** I am sorry, yes, but if the media had picked up on this isolated comment, it creates a false impression out there.

**Hon. Mr. Norton:** The point I am trying to make as discreetly as possible is that there were two target audiences from that meeting in 1982.

**Mr. Elston:** I hope you speak to them both in the same language.

**Hon. Mr. Norton:** Yes, always.

**Mr. Charlton:** Then we were trying to target them from the meeting in 1982—

**Hon. Mr. Norton:** That is right.

**Mr. Charlton:** The statement is a statement that is being made here, and it is a statement that is more likely to get picked up on by those, for example, to whom Hansard gets sent out from this place.

**Hon. Mr. Norton:** At the meeting in February 1982 there were media people present outside the meeting. They were not present at the meeting. My recollection is that, following the meeting, Mr. Roberts, as the chairman, spoke to the press. He made things very clear, in almost precisely the words used in my opening remarks. He communicated to the American public primarily at that point, although he is still communicating, that a commitment was essential.

**Mr. Charlton:** Yes, I understand that. Again, I did not raise it because I had any doubts about what your position was.

**Hon. Mr. Norton:** The kinds of things that we have to be careful about are in terms of how we express things. It is a difficult situation in terms of avoiding confusing the issue by creating the impressions for Americans that we do not need them, that we are going to go and do it ourselves.

Even as recently as today, I think, I saw a comment in the press from one of the New England governors at the meeting between the Maritime premiers and the New England governors. There was some suggestion that, really, Canada ought to stop crying about the United States' failure to do its share and to get on and do it ourselves. We can do that, and we will do it, but the fact of the matter is that this will not protect our environment in the sensitive areas.

**Mr. Elston:** We will annex them.

**Hon. Mr. Norton:** Yes, that may be the next step. We will probably fly some of those aircraft that we have in Europe down over the United States. They are bound to crash and scare the living daylights out of them.

**Mr. Charlton:** The only point I was trying to make is that to have this kind of statement go out to people in Ontario in isolation leaves the impression with the Ontario public, in terms of your ministry's public image, that if they do not play we are not going to play either. I am now talking about the second of the target audiences.

**Hon. Mr. Norton:** Now that you understand that, I do hope you will help to clarify any misconception that may exist in the mind of the Ontario public.

**Mr. Charlton:** I had no illusions about your real position. I just wanted to raise the issue of language with you. It is a bit misleading in terms of impressions that might get left out there with Ontario residents.

**Hon. Mr. Norton:** Do not forget that we are still attempting to negotiate an agreement with the United States, though not terribly actively, I guess, at the moment. Bear that context in mind, if you will.

**Mr. Charlton:** While we are on your section on acid rain, you mentioned that there were going to be selected experiments done in terms of the neutralization of, I believe, three lakes?

**Hon. Mr. Norton:** Yes, I think it is three.

**Mr. Charlton:** I would very much appreciate it if we could get some information on the specifics of those programs, so that perhaps we can have a fuller discussion of them when we do the rest of the estimates in the fall.

**Hon. Mr. Norton:** I am sure Dr. Bridges would be glad to do it for you right now, if you like. He is sitting there, just chomping at the bit.

**Mr. Charlton:** Time is running very short this evening.

**Mr. Elston:** A bridge over troubled waters.

**Hon. Mr. Norton:** That's right. He is bridging them all.

**Mr. Charlton:** In terms of that particular issue of the use of language, there is one other matter I would like to raise.

**Hon. Mr. Norton:** You are going to make me self-conscious about my language if you chew it up like that.

**Mr. Charlton:** Well, I do not even think you wrote all of this, but—

**Hon. Mr. Norton:** You are kidding.

**Mr. Charlton:** You probably did generate it, but it was not long enough to be you.

**Hon. Mr. Norton:** Are you suggesting that I would plagiarize or that—

**Mr. Charlton:** No, I would think that you discussed with your staff the topics you wished to elucidate in your opening remarks.

**Hon. Mr. Norton:** I dictate at a very rapid rate. They all sit around with shorthand pads and take it down as I speak.

**Mr. Charlton:** At any rate, I want to deal with remarks you made about the seven eastern provinces. I think that if representatives of Manitoba had been here when you said that, they might no longer be talking to you.

**Hon. Mr. Norton:** They are certainly eastern with respect to Saskatchewan.

**Mr. Charlton:** It becomes a perceptual thing.

**Hon. Mr. Norton:** Perhaps I should have said easterly. They start there and they run east.

**Mr. Charlton:** I would like to move to some of the comments you made on the Niagara River. We have had a discussion on this a number of times, which in many cases has not been very fruitful because we were both shooting at different targets.

The minister will recall that there has been discussion on a number of occasions regarding intervention and nonintervention, should you or should you not? I can honestly say, and I have said it to the press in the last few days, that I have no objection to your present intervention in the S-area question.

Last fall we took the position that at that point you should not be intervening. That was when it was still in a stage of private negotiation and the potential of a signed agreement existed. I still have some concerns about the legal ramifications of that approach to solutions on the Niagara River, simply because of some serious legal questions.

I have no objection to the present approach to intervention. On the other hand, I have some concern about the rate at which the process is dealing with a fairly large number of chemical waste sites in the Niagara frontier, on the American side, in this one-at-a-time approach. I would like to get into a full discussion with the minister about that process during the course of these estimates, to ascertain what legal avenues we have to speed it up in terms of your ministry taking action on its own on sites where no current action is under way.

I have a very distinct feeling, for example, that with respect to public profile there will be a number of new sites coming on stream in the very near future which are virtually as dangerous in many respects as the ones we have read about already. I am just not sure that the route of dealing with them one at a time is the best approach for us to take.

I would like to get into a full discussion of possible ways to speed that up, perhaps sharing work loads with other interested groups, providing assistance as opposed to full intervention, and perhaps full intervention on cases which are not currently under review.

**10:10 p.m.**

I would like to discuss with you for a moment comments you made in the House recently about the S-area intervention and Pollution Probe's role in all of that. Perhaps you owe Pollution Probe a little bit of an apology for your comments on the question my leader asked you on June 9 in which you said: "When I met with Pollution Probe I made it very clear that we were willing to share—and at that time had already given them a copy of our hydrogeological report on the S area"—and I believe that to be true—"—our complete information with them as it became available. I foresee only one problem. Unless Pollution Probe changes its approach, which is that it will share none of its information with anybody, then there may be some risk . . ." You will recall, we were discussing the possible contradictions.

I have two letters here from the executive director of Pollution Probe, both addressed to you, one dated April 12, 1983, and the second dated May 12, 1983. The first letter says—and I will quote a couple of parts of it to you: "We are very pleased with the reception which has been accorded our efforts to intervene in the S-area case. I do hope that you have had a chance to review the motion and the supporting affidavits which we made to Mr. Peter Crabtree immediately prior to filing them with the court. A copy has also been provided to your office."

The letter goes on to say that they would still prefer to have a single intervention, and your co-operation and then intervention, that they were prepared to discuss a second intervention if that became necessary. Their intervention and all of the documentation was apparently, according to this letter, sent to you. Your response to that was that you would consider their comments.

In the second letter, dated May 12, and I will just read you the last paragraph of this letter, the

executive director says: "Within the constraints imposed by the adversarial nature of the legal process, I would be delighted to discuss with you any aspect of our work to date and of our plans for the future." That does not seem to be a totally closed comment in terms of information.

I understand that your comment likely resulted from discussions last fall with Pollution Probe. At any rate, the question was raised in June 1983, and it seems to me that perhaps an impression was put out there in terms of their position on the S area and your involvement in the S area that these letters do not indicate.

**Hon. Mr. Norton:** I welcome the opportunity to clarify that. I feel somewhat restricted in relating the entire conversation because it was understood at the time it would not be related in its entirety. It was not at my request; it was at the request of Pollution Probe.

**Mr. Charlton:** You are talking now about the conversation in the fall.

**Hon. Mr. Norton:** Yes. It was made perfectly clear—and I have a vivid recollection of that meeting because of the surprise I experienced with the position they took—that they were unwilling to share their information, such as hydrogeological information and so on, as it was developed.

If the tone of those letters is to indicate that they have changed that approach, and I would not necessarily interpret it that way, then I welcome that. In the meeting we had I indicated to them, whether they were willing to share with us or not, we would certainly share with them whatever information we were able to develop and to generate. There is no question about my misinterpreting that conversation.

**Mr. Charlton:** The conversation last fall.

**Hon. Mr. Norton:** None whatsoever.

**Mr. Charlton:** I understand that.

**Hon. Mr. Norton:** At no point have I ever had any communication from Pollution Probe which indicated, certainly to my satisfaction, that their position had changed from that earlier communication.

**Mr. Charlton:** That is what I am saying this letter seems clearly to indicate to me.

**Hon. Mr. Norton:** It does not clearly indicate it to me. It does indicate that they are willing to share the documents that they filed publicly with the court.

**Mr. Charlton:** It also talks about any of their future endeavours in S area.

**Hon. Mr. Norton:** If that is the case then, as I say, I welcome it. I would also welcome a letter from the executive director making it very clear that the position they took last fall was no longer the position they are maintaining.

**Mr. Charlton:** I will see that that happens. The reason I raised it is, as you will recall, I approached you in the House a couple of months ago and asked you about what was happening in terms of the ministry in S area. You suggested to me at that time, and I cannot quote you precisely, that your patience was wearing thin on the so-called federal initiatives and you felt you probably were going to have to intervene.

I raised my concern at that point about the potential conflicts in the presentations and you raised with me at that point the meeting last fall. I suggested to you that I would approach Pollution Probe and have a chat with them about that, which I did. The letter of May 12, from which I quoted, resulted from my conversation with the executive director of Pollution Probe. That is why I was a little taken aback with your answer in the House. I knew of the letter already and had been assured that their position had changed. It was my feeling that the letter had set that out.

I will talk to the executive director and again ask him to make that as clear as possible so perhaps the ministry and Pollution Probe can sit down and ensure that the sharing of information is complete.

**Hon. Mr. Norton:** Certainly our position has always been that.

**Mr. Charlton:** I understand that.

**Hon. Mr. Norton:** If their position has changed, as I say I welcome that. I would point out there is a difference between providing us with copies of what is already on the public record and agreement that there will be a full sharing of information as it is developed.

Perhaps you could ask the executive director if he would like to discuss it directly with me at some point in order to clarify whether that position has changed, because it was closely related to a particular strategy they had in mind with respect to the intervention.

**Mr. Charlton:** I understand that as well, in what was happening last fall. That is why I undertook to talk to you about it and then relate your comments and wishes back to them.

**Mr. Elston:** Could I raise a brief question on that same situation?

**Mr. Charlton:** Certainly.

**Mr. Elston:** It deals with the minister's statement about the same time. It may have come a little bit later than June 9, I am not certain. The indication was that the Ministry of the Environment was going ahead to act on behalf of the people of Ontario and there seemed to be a dichotomy drawn between what the public role of the Ministry of the Environment was, or at least its aims and goals as far as Ontario's population was concerned, and the aims and goals of public interest groups like Pollution Probe and Operation Clean Niagara.

I do not really see there is a substantial difference between what the goals of your ministry are, or should be, in my perception, and what the aims and goals of those public interest groups are. I do not see that they have anything substantially different to gain from their intervention. It seemed to be implicit in your statement that they were out to gain something that was almost illicit and that they did not have the care and protection of the environment as far as Ontario's population was concerned inherent in their activities.

**Hon. Mr. Norton:** I did not mean to suggest that; it was not the case. I think if you check back, my recollection of my remarks at that point was that there may be certain strategies pursued by private interest groups that would not be open to government as a strategy.

Most important, I drew a distinction between what I perceived to be the mandate of a government acting on behalf of the people of Ontario and the mandate of a private interest group, which is really quite radically different.

10:20 p.m.

I am not saying that we do not share common objectives. All I am saying is that the government has a constitutional mandate, whereas a private interest group has a much narrower mandate. I do not believe I can abdicate the responsibility I have as Minister of the Environment in Ontario and say to a private interest group, "You do that for the government."

**Mr. Elston:** Do not cut him off, Mr. Chairman. Let him answer in fullness, in detail. Mr. Chairman, I beg you, please, on behalf of the minister.

**Hon. Mr. Norton:** They only do that in the House.

**Mr. Chairman:** I have two points. The Lieutenant Governor is going to give royal assent—

**Mr. Andrewes:** He has gone.

**Mr. Chairman:** Has he gone? We have missed that, have we?

**Hon. Mr. Norton:** We had better go; he might be giving royal assent to our estimates.

**Mr. Elston:** He might be giving the royal something or other to the estimates, but not assent.

**Mr. Chairman:** Second, we have a notwithstanding motion apparently just passed in the House that, if we wish, we can sit on Thursday night. I am sure everyone wishes to sit on Thursday night.

**Mr. Elston:** Perhaps not at this particular location.

**Mr. Charlton:** I thought you said you were not going to suggest that.

**Mr. Chairman:** That was not my suggestion. It was in the House. It is entirely up to the committee.

Mr. Andrewes moves that the committee not sit on Thursday night.

Motion agreed to.

**Hon. Mr. Norton:** If you wish, I can prepare to bring back my response to your opening statements.

**Mr. Elston:** Actually, we could adjourn to Benmiller, which is much closer to my home.

**Mr. Charlton:** Although I would like to reserve the right to complete my opening statement in the fall, perhaps I could just speak on a couple of other items from the minister's opening statement. It will only take me a couple of short minutes, if I could wrap up that part of my comment.

**Mr. Chairman:** If the Lieutenant Governor is gone, and we have missed that point—

**Mr. Lane:** I suggest about 30 seconds.

**Mr. Charlton:** I also wanted to raise with the minister his comments in the opening statement about the Niagara Falls, New York, sewage treatment plant. I have some concerns about that situation. I sort of briefly blurted them out during the course of his opening statement the other night, but I would like to be able to have a very full discussion of that in the fall.

My concern relates to the comments about the capacity of that sewage treatment plant and your comments that, hopefully, they could convince industries to cut back on what is being dumped in so they can meet capacity.

My concern, obviously, based on the history of that side of the border, relates to whether the

cutback is just in what is dumped into the sewer system as opposed to what is being generated. I have a serious concern about where it goes then.

From my perspective, in the way I see the whole thing, I think this should be part of whatever—there has to be a clear understanding in any final decisions and agreement about any waste no longer going into the sewer system as to where it then might go. I think the minister fully understands that. Perhaps we could have a more detailed discussion of that issue.

**Hon. Mr. Norton:** I am sure that Mr. Crabtree and his team would be more than pleased to do that.

**Mr. Charlton:** Good. Okay.

The last thing in your opening statement I wanted to deal with was your comment on page 93: "In May of this year, the New Democratic Party released discharge data from Canadian sources compiled by my ministry, and chose to place an alarmist interpretation on it." I was just wondering when the minister was going to have his jaw redone, because he is starting to sound like Paul Godfrey.

**Hon. Mr. Norton:** Thank you. I think I should start on the nose and work down.

**Mr. Charlton:** I just wanted to say, in that respect, that the question raised by Mr. Rae was not intended to be alarmist in nature. However, it was a serious question and a concern we have. Perhaps in your opening statement we had the response we were looking for in the House. We appreciate finally having the answer, because the question remained unanswered in your response in the House.

**Hon. Mr. Norton:** I probably was cut off before I had a chance.

**Mr. Charlton:** No, you spent most of your time in the House trying to explain to us the difference between suspended solids and toxic chemicals, and that is not what the question related to at all.

**Hon. Mr. Norton:** I always feel there has to be a basic understanding of certain factual information before I take that extra step.

**Mr. Elston:** The answer would then become suspended.

**Hon. Mr. Norton:** Sometimes I do, and the Speaker intervenes.

**Mr. Elston:** He has to precipitate you out of action.

**Mr. Charlton:** At any rate, I have a number of

comments that I wish to add, if and when we reconvene.

**Mr. Chairman:** Yes, I presume we will reconvene at some point in time. I will ask the clerk to make note of the fact that you have the floor when we do.

**Hon. Mr. Norton:** Do I not get a chance to make an opening update?

**Mr. Chairman:** That is a given. This meeting is now adjourned. Thank you.

The committee adjourned at 10:26 p.m.

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 Charlton, B. A. (Hamilton Mountain NDP)  
 Dean, G. H. (Wentworth PC)  
 Elston, M. J. (Huron-Bruce L)  
 Lane, J. G. (Algoma-Manitoulin PC)  
 Norton, Hon. K. C.; Minister of the Environment (Kingston and the Islands PC)  
 Piché, R. L. (Cochrane North PC)





No. R-3

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# **Hansard**

# **Official Report of Debates**

## Legislative Assembly of Ontario

**Standing Committee on Resources Development**  
Estimates, Ministry of the Environment

**Third Session, 32nd Parliament**  
Tuesday, October 11, 1983

Speaker: Honourable John M. Turner  
Clerk: Roderick Lewis, QC

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### STANDING COMMITTEE ON RESOURCE DEVELOPMENT

**Chairman:** Barlow, W. W.; Chairman (Cambridge PC)

**Vice-Chairman:** Williams, J. R. (Oriole PC)

Lane, J. G. (Algoma-Manitoulin PC)

Laughren, F. (Nickel Belt NDP)

McLean, A. K. (Simcoe East PC)

Piché, R. L. (Cochrane North PC)

Reed, J. A. (Halton-Burlington L)

Riddell, J. K. (Huron-Middlesex L)

Stokes, J. E. (Lake Nipigon NDP)

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# LEGISLATIVE ASSEMBLY OF ONTARIO

## STANDING COMMITTEE ON RESOURCES DEVELOPMENT

**Tuesday, October 11, 1983**

The committee met at 8:07 p.m. in room 228.

### ESTIMATES, MINISTRY OF THE ENVIRONMENT

(continued from June 21, 1983)

**Mr. Chairman:** I understand there is agreement among the three parties that our new minister—and I welcome the new minister to this august committee—will be making his statement of up to half an hour's time. The two opposition critics will have the same opportunity to speak in reply to Mr. Brandt's statement prior to the clock restarting. I think that is the understanding.

**Mr. Elston:** In fairness, I think we have to recognize as well that Mr. Charlton did not have an opportunity to finish his opening remarks before we adjourned.

**Hon. Mr. Brandt:** Let us deal with that. I think we are dealing with this relatively informally, Mr. Chairman. I would be prepared to hear Mr. Charlton on what he would like to do in terms of the logistics.

**Mr. Charlton:** If I could just comment on that, I would like to hear the minister's half hour or whatever portion of that he takes up, and I am perfectly willing to allow Mr. Elston to have that same amount of time. For myself, I do not know whether I will take a full half hour in responding to the minister's statement tonight, but at the point at which I finish responding to what the minister has said tonight and start back into my original opening statement, I will stop and notify the chair so we can commence the clock at that point, if that is acceptable to everyone.

**Hon. Mr. Brandt:** I think that is reasonable.

**Mr. Chairman:** It sounds reasonable. Mr. Brandt, would you like to proceed?

**Hon. Mr. Brandt:** Thank you very much. Mr. Chairman and members of the committee, I am privileged to resume the committee's review of the estimates of my ministry for 1983-84. As a new minister, I have been looking forward to my first estimates with anticipation and I will make every effort to engage in a productive discussion of the objectives and programs of my ministry.

In effect, as you all know, we are resuming the estimates review which began in June of this year and which recessed when the Legislature adjourned for the summer.

I have had the opportunity to review the brief opening statement which my predecessor, the Honourable Keith Norton, made in June to this committee, and I want to go on record as indicating that I am totally in agreement with the comments made by the former minister.

**Mr. Williams:** That was one of his shorter statements.

**Hon. Mr. Brandt:** I recognize that it was a very brief statement. He tried to make it as comprehensive as he could within the telescoped time frame that was available to him, Mr. Williams. He did as complete a job as he could in the time that was available.

**Mr. Elston:** You are in total agreement with everything he said?

**Hon. Mr. Brandt:** Without question.

**Mr. Elston:** With the exception of where further comment may overrule?

**Hon. Mr. Brandt:** Further comment, depending on from which direction that comment comes.

**Mr. Elston:** Only yours.

**Hon. Mr. Brandt:** I would also like to advise the committee members that as a new minister, of course, I would like to put my own stamp on the new programs and policies I will bring forward as we continue to progress.

In my own remarks, which are intended to provide a general overview of the ministry, I propose to give you a summary of some of the major events that have taken place since June and an account of pertinent activity that has occurred since my appointment in early July.

I want to share with the committee members the fact that in preparing myself I have tried to learn by direct contact and discussions with the operating staff of the ministry in our regional offices and in our technical branches at head office as well as with our laboratory staff in Rexdale. In all instances I have to say to you that I have been very impressed by the quality and dedication of the people working in the Ministry of the Environment.

I have also toured a number of locations where we have special programs under way, and I have talked with the concerned residents as well as with my staff who are dealing with these specific challenges.

I will try to avoid giving you a personal travelogue, but I think it is fair to note that I have talked to the people concerned and toured the Niagara River area; the waste disposal site in Halton; the closed Upper Ottawa Street landfill site in Hamilton, which is of specific interest to Mr. Charlton; the solid waste reduction unit, which is also in Hamilton and of interest to Mr. Charlton, being close to his riding; the Pauzé landfill site in Tiny township; my ministry's acid rain research centre at Dorset; and the polychlorinated biphenyl experimental program at the Royal Military College in Kingston. Also, I have been down to the Toronto waterfront as part of my investigation of the problem that occurred with respect to the beaches during the past summer.

I have met with executive representatives of environmental and conservation organizations. To date, I have met with representatives of the Federation of Ontario Cottagers' Associations Inc., the Conservation Council of Ontario, the Canadian Environmental Law Association, the Federation of Ontario Naturalists, the Canadian Coalition on Acid Rain and Pollution Probe. I have also invited representatives of other special interest groups to meet with me, and I look forward to meeting them as soon as arrangements can be made to our mutual convenience.

It has also been my pleasant duty to participate in several ceremonies which I believe mark our progress in the Ministry of the Environment in matters that protect our environment and will contribute to it in the future.

In early August of this year, in Grand Portage, Minnesota, I signed a memorandum of agreement on behalf of the province of Ontario which provides for the exchange of scientific information and establishes a basis for possible joint programs on acid rain with the state of Minnesota. Ontario, as most of you are aware, has a similar agreement with the state of New York; the Minnesota agreement is patterned after that document.

In my ministry, ceremonies to open water and sewage treatment plants officially are important events that mark the provision of these essential communal facilities as advances in our environmental programs and as a basis for the future growth of a municipality.

Shortly after I took office in July, I assisted in

the opening of the expansion to the water pollution control plant in Welland, which is strategically located along the Niagara River corridor, an area of some specific interest to the members of this committee. I think this facility reflects the situation in Ontario and is typical of the precedent-setting program that the government initiated in the mid-1950s when it established the Ontario Water Resources Commission and gave it the mandate to assist Ontario municipalities to build sewage and water treatment facilities for their residents.

In Welland, I shared in the opening of a \$2.4-million addition to the plant, which serves this important urban community. This facility was constructed under the Canada-Ontario agreement for the improvement of water quality in the Great Lakes basin. The contribution by Ontario is part of the ministry's appropriation of \$69 million which we are providing this year for assistance to municipalities for the construction of sewage and water facilities.

I might add in passing that approximately 10 facilities have been opened this summer in communities throughout Ontario. These new facilities include the water treatment plant in Delaware, where I had the pleasure of officiating, and the sewage treatment plant in Victoria Harbour. These plants and others measure the extent and success of an Ontario environmental program which most of us on occasion tend to take for granted.

Today, 94 per cent of Ontario's urban residents and 82 per cent of the total population are served by communal water and sewage treatment plants. More than \$6 billion has been spent on these facilities, and one third of this has been provided by the provincial government.

Now I propose to bring you up to date on several environmental developments on which my ministry took action during the course of the past three months and over the summer period.

The spill of liquid contaminants into the Spanish River from the E. B. Eddy Co. pulp and paper mill at Espanola resulted in one of the worst fish kills in many years. Following extensive investigation and gathering of evidence by staff of our ministry's northeast region, in co-operation with the Ministry of Natural Resources, four charges were laid under the federal Fisheries Act against the company and two charges against each of two company executives, for a total of eight charges in all. These charges will come before the court in Espanola some time in December, according to the latest information I have.

Cleanup of the river was undertaken immediately by the company at the direction of ministry staff. The Ministry of Natural Resources has initiated a program to replenish the river's fish population, and I am informed that major restocking will be under way in early spring.

Thirty-one charges resulted from investigation by our special investigation unit into the transfer and disposal of industrial waste on a farm in King township operated by two private owners. The owners and two companies were charged with violations under both the Ontario Water Resources Act and the Environmental Protection Act.

In addition, I ordered an immediate cleanup of the property to be paid for by the owners of the property and the hauler of the waste. My ministry is now in the process of awarding a contract for that project.

My notice of intent to the parties marks the first time under our legislation that all parties—the generator, the hauler and the owners or operators of the receiving site—were named in proceedings under the environmental statutes in force in Ontario. I will be guided by this principle of accountability in dealing with all parties engaged in an illegal activity in future.

As summer temperatures soared to record highs, there was a disturbing rise of bacterial contamination on some public beaches. Of some 300 beaches on the Great Lakes in Ontario, 35 were posted by local medical officers of health as being unfit for swimming. My ministry is working with municipalities in the Toronto area, and we have undertaken to provide technical support and scientific research as they develop action plans to solve the problem.

Our challenge is to identify and quantify the sources contributing to the contamination and to develop and implement lasting solutions. This will be an ongoing endeavour. Large urban areas are natural repositories of bacteria which find their way into the watercourses through a wide variety of routes.

The Toronto area watershed management study, now in its second year, gave us a head start on identifying some of the problems affecting Metropolitan Toronto area beaches. The amount to be spent on this study is estimated at \$1.7 million, an increase of \$500,000 over the earlier budget allocations. The study will now include a special consideration of Toronto's waterfront problems as well as tracking and quantifying a wide range of pollutants in the total watershed.

The project steering committee is a ready-

made task force to find solutions, to ensure prompt remedial action and to develop a comprehensive long-term pollution control strategy. With membership from the Metropolitan Toronto and Region Conservation Authority, medical officers of health, commissioners of public health and technical staff from the Ministry of the Environment, it is a joint provincial-municipal undertaking which recognizes the operational responsibilities of the municipalities and our responsibilities, from the provincial level, to support them in their endeavours.

I have made it clear to the municipalities in correspondence I have had with them that I regard the protection of public health on beaches as a priority and that I expect the same priority commitment on their part.

**8:20 p.m.**

Over the past five years the ministry has provided \$28 million in financial assistance for sewage treatment projects in the Metropolitan Toronto area worth a total of \$170 million when one takes into account the contribution of the municipalities. In addition, \$5.5 million is being spent to divert 1.5 million gallons of effluent a day to the York-Durham sewage system to reduce the load on the Humber plant.

I will now get into the very important matter of acid rain. Ontario's participation in the Canadian effort to negotiate an effective agreement with the United States continues to be a major activity of our ministry.

During the last week of September, I had the opportunity to attend the meeting of the Canadian Council of Resources and Environment Ministers, which was held in Fredericton, New Brunswick. Following the meeting, it was announced that the environment ministers of the eastern provinces—those that are east of the Saskatchewan-Manitoba border—and the federal minister, Mr. Caccia, had reached agreement on a Canadian abatement strategy.

The federal and provincial ministers believe that details of the accord should not be revealed at this time so as to preserve the integrity of Canada's negotiating position with the United States.

The federal Minister of the Environment, Mr. Caccia, and the Secretary of State for External Affairs, Mr. MacEachen, will meet with the US Secretary of State, Mr. Schultz, and the administrator of the US Environmental Protection Agency, Mr. Ruckelshaus. That meeting is scheduled for Halifax on October 16.

It is imperative that our federal representatives achieve progress towards the needed agree-

ment with the United States. From both provincial and North American perspectives, the long-awaited public realization by the Reagan administration that acid rain is a man-made problem is an encouraging development.

There are other encouraging signs from the United States which indicate the Americans are recognizing the very serious and critical threat that is posed by acid rain. The positions taken by Ontario and Canada for a number of years have been accepted over these past summer months in the United States in a number of studies which support our position that acid rain is man-made and must be controlled by strong abatement action on the part of both countries.

Let me briefly update you on my ministry's activities relating to hazardous contaminants and standard-setting.

Over recent months we have set out a planned action to increase our knowledge of a wide range of trace contaminants and to improve the process by which we can identify priority contaminants that are of concern.

We intend to set standards or guidelines to control the presence of chemical contaminants. This will require public input, and I therefore intend to follow through and implement our plan to appoint an environmental standards advisory committee.

This committee will provide a forum for the public to scrutinize proposed ministry standards or interim guidelines. It will be the committee's function to generate public involvement on what standards or interim guidelines are safe and acceptable.

On June 27, the Ontario government, through the Board of Industrial Leadership and Development, approved a grant of up to \$10 million towards the capital costs of the proposed centre for toxicology, sponsored by the universities of Toronto and Guelph.

The federal government has announced a similar contribution, equalling the \$10 million we have committed, towards the costs of establishing the centre, and the university sponsors are also seeking support from industry and business.

The private sector has a major responsibility to deal with the toxic materials it produces, in particular the chemical and petrochemical industries within the private sector, and I look to these industries to join government in the financial support of the centre.

The centre is designed to provide a first-class facility to determine the risks associated with

toxic materials in the environment. The proposed programs of the centre will include scientific research, analytic and testing services and professional training.

The identification of the health risks associated with emissions of hazardous contaminants and the setting of appropriate standards are among the emerging challenges of the 1980s. I recognize the public concerns regarding hazardous chemical contaminants, and I intend to provide whatever measures are necessary for the protection of human health and the environment. I can therefore assure you that we have action plans to meet these challenges and that every effort will be made to allocate the resources and the scientific expertise required to complete this very difficult task.

I would now like to turn to a status report on the Blueprint for Waste Management.

Public meetings are now being held throughout Ontario as part of the public participation program planned to ensure that we develop the most effective and comprehensive system for handling waste of any jurisdiction in the world.

Since the release of the blueprint last June, ministry officials and I have met with a wide range of groups, associations and municipalities. Throughout July and August, as part of our public information phase, presentations were made to 10 associations and to 24 municipalities.

**Mr. Piché:** Did that include any from the north, sir?

**Hon. Mr. Brandt:** It certainly did. As a matter of fact, Mr. Piché, I want to share with you the fact that I personally toured a large part of the geography of the north. I specifically made the blueprint presentation to the municipality of Sudbury, which qualifies as part of the north, does it not?

**Mr. Piché:** It is the near north, but I am talking about northern Ontario right now; for example, Fauquier, where we have problems, Cochrane and Valrita.

**Hon. Mr. Brandt:** I am glad you are bringing those to our attention—

**Mr. Elston:** Just wait. He has been to Point Edward already; that is north to somebody from Toronto.

**Mr. Piché:** Point Edward? Never.

**Hon. Mr. Brandt:** No, I do not really consider that to be north, but I do consider Sudbury to be reasonably north geographically, and I suggest to you that we had a very interesting discussion on the blueprint in that municipality.

In addition to the meetings and presentations, information open houses were held in 16 different locations as part of the first phase in the blueprint public participation process.

The second phase of our public participation process began in early September and will be completed by the end of October. Twenty public forums are being held in major centres throughout the province at which verbal or written presentations are being received by a panel of staff co-ordinating the blueprint. We have made every effort to cover representative centres throughout the province, because public input is a vital part of the blueprint process. On an issue as complex as waste management, we know that the opinions and the constructive comments of the public on the proposals we have advanced for the public's consideration are an essential contribution to our decision-making process.

The public's input is important as well because the issue of waste management is an issue of responsibilities: the responsibilities of the Ministry of the Environment, of the municipalities and industry, and of each and every citizen of the province.

The blueprint, as the name implies, is just that. Just as architects and builders use blueprints and revise them when they find better ways of doing things, our Blueprint for Waste Management is open to changes as well. That is why we have gone to the public. That is why the verbal and written presentations being made are so important to the process.

I would like to repeat my invitation to the public to participate in our meetings. It is not too late at this time, and we welcome presentations.

When the public meetings finish later this month, we still will have a great deal of work ahead of us. There will be analyses and evaluations of the presentations, and by the end of the year recommendations will be made to me on where we go in the future.

Personally, I think our blueprint is an exciting and essential process. It sets a framework for this important area of concern which recognizes the valuable contributions that can be made by the public at large. Most important, it will ensure that the problems of past waste management practices will never be faced by subsequent generations.

As an example, if the four Rs of waste management—reduction, reuse, recovery and recycling—become the norm for this province, we will have met the challenge.

One of my fact-finding missions included a tour of the Niagara River, as I have indicated. My specific intent was to tour the Niagara Falls water treatment plant where we are installing a model activated carbon filtration plant. It will be the site of a \$1-million, three-year research project into this advanced drinking water treatment technology.

#### **8:30 p.m.**

The aim of the program is to identify the most cost-effective treatment technology should it be necessary to enhance the already high levels of protection for Ontario's drinking water.

We are working with the federal Department of National Health and Welfare in this particular project. I might add it is a project that has been raised by way of recommendation and suggestion to this ministry by members of the opposition. I believe the member for Hamilton Mountain (Mr. Charlton), who is here this evening, was one of them. In reading some of the past history, if I can call it that, of this ministry I did note comments to the effect that he had endorsed the concept of a study being taken and the research that we are proposing for the Niagara Falls area.

As I indicated, we are working with the federal Department of National Health and Welfare, and at our request it has joined us as a member of a working group on control and abatement of chemical contaminants in drinking water. This working group will administer the program with assistance from international scientific experts in the drinking water field.

Members of my staff will continue their close observation, which has been going on for some years now, of European and American developments to ensure that, first, we do not duplicate the efforts that are being extended in various other jurisdictions, and in order that we may develop a state of the art technology which is comparable to any that exists anywhere else in the world.

This study at Niagara Falls will complete a three-stage research program by my ministry in drinking water treatment technology. Carbon filtration is not the only potential technology available to us. It is one of the technologies and one that we see a great deal of hope for in terms of even further purification of water.

We have undertaken scientific and engineering research to determine the full range of options that are available to our ministry and to Ontario.

The first stage, for example, involved research

into ozonation as an alternative to chlorination processes. The second stage addressed the cost-effectiveness of utilizing new coagulants for removing trace organics from drinking water. The third stage will focus on the effectiveness of optimizing existing treatment plant processes and the effectiveness of adding on the activated carbon filtration process that I mentioned earlier.

Mr. Chairman and members, I would like to thank you for your courtesy and for the attention you have given to what I hope was a reasonably brief overview according to the terms of the agreement that we established with the other parties. I have necessarily left out some events which warrant comment and I will try to fill in those gaps under the appropriate vote.

As in the past, I believe an updated booklet has been provided to each member which outlines the programs and activities of the Ministry of the Environment. I propose, as I believe has been the case in the past, that we deal with the estimates in the order set out in the book. I believe this will assist to direct the members' discussion under the appropriate votes and items.

I look forward to the comments of the respective party critics and I hope the members will agree with me that the people of Ontario are well served by the competent and dedicated professional staff who carry out the work of my ministry.

If I might add one closing note, the members may wish to have Dr. Donald Chant, the chairman of the Ontario Waste Management Corp., present when the votes on this major board are considered by the committee. The corporation's estimates are part of the final vote, and this may leave limited time for us to have a discussion with Dr. Chant.

I would like to suggest—and I am open to the comments of the critics on this—that the vote on the corporation could, if members would prefer this, be advanced to an earlier hour. We could invite Dr. Chant to come in so that we could leave some additional time and discuss the OWMC with him rather than leave it to the end of the vote. I am open to suggestions on that. It is just a suggestion, looking at the logistics of what we are attempting to complete here during the course of the estimates. Members may want to make some comment on it. Thank you very much for your kind attention.

**Mr. Chairman:** Thank you, Mr. Brandt. Perhaps we will reserve the decision on when we

will have Dr. Chant appear. It will give the committee an opportunity to think about it.

**Hon. Mr. Brandt:** I just placed it before the members for consideration; we are open to their suggestions on that matter.

**Mr. Elston:** Mr. Chairman, this is the first time we have had the opportunity in a public forum to congratulate Mr. Brandt on his assumption of a very difficult ministry and one which I know he is eager to carry on with, inasmuch as I suppose he has had an ongoing introduction to the basic problems of pollution as mayor of Sarnia and in dealing with other areas of pollution concern as mayor of that fine city.

I had an opportunity of visiting with the people of Dow Chemical last week and they spoke very highly of your efforts as mayor of the city of Sarnia in implementing a program for the cleanup of various industrial lands occupied by companies such as Dow Chemical, Esso Chemical in Sarnia, refineries of Suncor and others. They now have very nice flower beds. That program has worked out quite well for the people of Sarnia. I remember the odours, as a child visiting in the chemical valley, and they are not the same now as they were in years gone by.

However, we have other problems that affect us here in Ontario and I know that as a new minister you will be happy to assume those little chestnuts that were left by a succession of ministers who have gone on before you. When George Kerr was minister he thought he would swim across Burlington Bay. I think of Dr. Parrott, who struggled to locate a waste site at South Cayuga. I think of a number of others who struggled on before you and I remark with some surprise on your keenness at taking over the portfolio in the wake of problems that have beset those people who have gone before.

There are a number of areas I would like to speak on tonight, but perhaps by way of covering a number of bases without repeating myself from last spring I could refer you to my remarks of last spring. I know you have already looked at those and you will be dealing with a number of those questions which were raised with the then minister, the Honourable Keith Norton, who I suggested might not be with us in the fall, and his only comments—

**Hon. Mr. Brandt:** I read those rather prophetic remarks of yours.

**Mr. Elston:** Perhaps I knew of someone who was campaigning very religiously on behalf of a change of ministers, maybe not this particular

minister. Anyway, I am pleased that we have someone who is keenly interested in directing his efforts to clean up the environment and to not get into any difficulties with the question of allowing polluters to go on for some time without paying the penalty as polluters.

I was interested to hear your remarks that indicated you felt private industry has a very large role to play in respect to the cleanup operations and the payment of costs. I wondered at that time—and perhaps you can clarify this later—if you were running a little bit afoul of what Dr. Chant was saying when he indicated that the whole of Ontario must bear the cost of cleaning up the byproducts of the companies that produce for our consumption. Basically, Dr. Chant has said, and maintains all along, that really Ontario as a whole, as consumers, whether they be from the riding of Huron-Bruce or the city of Toronto, must pay the cost of disposing of the waste byproducts.

I wonder if you would put what you meant into better context for us.

**Mr. Piché:** Does that include all the lakes around Toronto that have been polluted this summer? Is the city of Toronto ready to pay for that? Obviously they are responsible.

**Mr. Elston:** That is part of the question. What my remarks are relating to basically, Mr. Piché, is the chemical productive capacity of Ontario. That is an issue I am going to get to a little later.

8:40 p.m.

**Hon. Mr. Brandt:** If I may interject just briefly, the blueprint does suggest one methodology that may be used in respect to that. There are other options. We hope the feedback we are getting on the blueprint will give us a reflection of views on the part of the public as to which route they would prefer to go. I will be commenting in some further depth on that.

**Mr. Elston:** My comments relate more specifically to Dr. Chant's remarks about the Ontario Waste Management Corp. rather than to the blueprint. At the time of introduction earlier by your predecessor, it was quite separate from the OWMC process. In fact, as I understand it, the OWMC was a little bit surprised at the introduction of the blueprint for the waste management program introduced by your ministry.

It might be interesting if we could follow up a little later on something I mentioned in the spring. I refer to my hope that the operations of the Ministry of the Environment are going hand in hand with the OWMC. That has caused some

concern for people in the OWMC and the ministry. I know of some problems there.

**Hon. Mr. Brandt:** Arm's length might be a better way of putting it than hand in hand.

**Mr. Elston:** The hands are always at arm's length from the person. I hope you are working together on that rather than separately; and I hope the status report on the OWMC will provide us with a report that indicates much smoother sailing for both. I do not think we can separate the blueprint from the operation of the OWMC.

**Hon. Mr. Brandt:** No, and I might add the operations of the Ministry of the Environment and the OWMC are individual and separate and removed one from the other. On any program we would initiate from this ministry we would not normally request input, in the first instance, from the OWMC. We would look to them perhaps to make some comments in connection with the blueprint but I do not think we would be looking to them for approval to proceed with such a document. However, it is akin to some of the work they are doing.

**Mr. Elston:** I just hope the blueprint does not come out and negate anything the OWMC is doing with respect to chemical waste. It seems it would be a very difficult thing for the people of Ontario to deal with if an official policy statement, or guideline which may become policy—goodness knows how these are rated now—were to run afoul of the OWMC. That is what I am concerned with basically, to start with, just a status report. It might be helpful for those of us who are following the OWMC with some keenness at this point.

I will move on more or less in point form to cut down on any extra verbiage. I would like to go to acid rain at this point. I noted your visits to Dorset and I noted your signature of international agreements in Minnesota. I know you are quite concerned about the acid rain situation.

In that sense, I would like to hear from you what strong initiatives you are taking with respect to the Inco situation. We know the control orders and the regulations are coming up for renewal and we would like to receive an updating in relation to those. I know you had some very strong statements to make earlier in the summer when you assumed your portfolio with respect to whether or not government assistance would be available to those large corporations.

To be quite honest, I am one of those who think the public interest would be better served

if we grappled first of all with the questions of the salvation of our natural environment, and then second dealt with some of the problems of where the companies are to find their funding. In other words, I endorse the thoughts you were expressing with respect to assistance to some of those corporations that may now find themselves in difficulty with respect to coming up with abatement programs.

First and foremost, as environmentally concerned people, we have to be sure we are going to have something to preserve for the people who come after us. If nothing is left, it really means very little whether or not the individual company or the federal or provincial government will be able to invoke some of those environment-saving ideas.

I also want to be updated with respect to the minister's vision of what is happening with Ontario Hydro. They have a commitment to achieve by 1990. You have probably read, in some brevity I presume, about the various comments we made on the abatement programs they have. We are quite concerned where they are heading, especially if we end with Pickering being closed down, with the Bruce generating station being closed down and several of our coal plants being started up to cover for loss of power.

Where are we going? Are we in a position where the starting up of this coal-fired plant, wherever, will be done in such a way as not to increase our acid rain fallout? I tend to think we are not capable of guaranteeing that right now. I know Mr. Broadbent has indicated on the federal scene his hopes that they are using higher quality, low-sulphur coal from western Canada. I am sort of in that position as well. I think Hydro ought to be in a position so that even if it has to start up one of these plants in an emergency, it is going to use all methods within its reach to ensure the environment is not unnecessarily damaged by that.

I think that covers a couple of very important issues with respect to acid rain. There are others which have been addressed previously. Perhaps if you got on to those, that would deal with some of the immediate problems we are looking at.

As you know, we have also been concerned throughout the summer with the beaches program. You and I have had short discussions with respect to the amount of money deducted from the budget of the Ministry of the Environment, about where it should have gone or where it might be allocated again. Perhaps you could tell us how you hope to help the Municipality of

Metropolitan Toronto, for instance, deal with cleaning up those beaches.

I, for one, think the cleanup of the beaches, particularly in the metropolitan area, is something that probably staggered the thoughts of those people who operate in the municipality we just mentioned. Probably the only way we are going to get a concerted effort is by having the Minister of the Environment provide a massive amount of assistance to those people to make sure we find all of those illegal outfalls. Then he should develop a program whereby facilities will be built to handle that.

Today when I came here, I received one of those Ontario financial statements—it was not here when I came down last week. I noticed that environmental control expenditures of the ministry had an appropriation in 1982-83 of \$292 million, and \$282 million of that was expended. I do not know whether that reflects a real cut-back; whether there was a fall-off in actual construction programs to deal with environmental control or how that was dealt with.

It seems to me there is an awful lot of work to be done, certainly with respect to our beaches. This is so not only in Metropolitan Toronto, although those were the highlighted ones this summer, but in a number of areas. Work needs to be done even in Lake Huron, which is noted as a rather clean lake by comparison with Lake Ontario. I would be very interested to hear how you are going to conduct yourself with respect to those cleanups.

I was also interested to hear about the diversion of a great amount of the sewage material to the York-Durham site. I remember the first time I attended a set of estimates I asked about the overcapacity which was built into the York-Durham sewage treatment plant. At that point it seemed to me the then minister, Mr. Norton, downplayed the fact there was any extra capability there at all, and that there had been overplanning, if that description could be used.

**8:50 p.m.**

You might update us as to the status of the York-Durham plant, because there was an expenditure of a considerable amount of capital money on it. I am not really too sure where we are headed with that plant and how you are dealing with that, whether there will be mothballing, as was suggested back in 1982, or whether you are going to expand the role of that site.

While touring Dow Chemical, I was interested to find out it had been licensed in the United States to deal with the destruction of

polychlorinated biphenyls. I understand there is a capability, even in Sarnia, Ontario, of dealing with the destruction of PCBs to 99.9999 per cent.

**Hon. Mr. Brandt:** Infinity.

**Mr. Elston:** No, they stopped at four nines.

**Hon. Mr. Brandt:** That is close to infinity.

**Mr. Elston:** I wonder if you could provide us with an update on the PCB destruction technology, because it seems to me that every month and year we wait we are inviting the disappearance of more quantities of this stuff than is really worth while. I know you mentioned briefly you toured the PCB research units down in Kingston.

**Hon. Mr. Brandt:** Yes.

**Mr. Elston:** Next, I would like you to comment very briefly on a point we left off discussing last spring. The then minister indicated at our last couple of sessions—I am not sure what date it was—that we would know within two or three weeks about the site to which the Malvern soils would be removed. He indicated that we would know very shortly. Of course, that created some hope for the people who live on the sites where that material was deposited. I would be interested in an update on that.

I want to bring to your attention again—and I will go through this very quickly so we can give Mr. Charlton an opportunity to speak—the current status of the Niagara River hearings, the new set in which your predecessor applied for intervenor status. I am still quite concerned, as I was last spring under the former minister, about the problems of fracturing a united front of Canadian interests with respect to the Niagara River and the cleanup of those dump sites.

I would urge you, as I urged Mr. Norton, to consider being very co-operative with Pollution Probe and with those others who have already been granted intervenor status to make sure that we are not divided and made an easy prey for the large corporation of Occidental Petroleum. I hope you have been able to open a new door of communication with those people, unlike previous times when it seemed that we might be running afoul of some interests.

I want to comment very briefly as well on the Niagara River water treatment plant which proposes to spend \$1 million over three years. I note that it seems the amount of material being tested by that plant is infinitesimally small in comparison to the amount of water it is actually consuming now.

**Hon. Mr. Brandt:** It is a pilot project.

**Mr. Elston:** I realize it is a pilot project. I am wondering if perhaps we are not at a stage where we could learn something from the two or three US cities that are using activated charcoal filtration systems now. I think perhaps we need a little bit more comment from you on those plants that are already operating, and some indication of why you figure there is further pilot project potential there rather than opting for the best possible technology being put in place now for the prevention of any health problem that might come to light from the use of the new system.

When I heard you mention Spanish River, I was interested to hear about the Fisheries Act charges. When I first started looking at that problem myself, which was a couple of days after the spill was related to me, I knew the Fisheries Act was probably the least difficult of all the legislation to invoke and probably to get successful results from, but I cannot quite understand why you did not proceed on your own. Although you took a very major early profile on that, your profile dropped out of view at the time when charges were actually laid, other than having a joint announcement with the Minister of Natural Resources (Mr. Pope).

In a situation where we have a very serious spill that deals a damaging blow to our natural resources, our water and our fisheries, that is the time when our Minister of the Environment should probably come front and centre with legislation which has some teeth in it and which will be useful to him. In that light, if you do not find the appropriate legislation useful, you could maybe look at some new legislation that will be useful and that will provide the citizens of Ontario with some surety that the polluters are going to be in a position where they will have to clean up what they caused.

**Mr. Wildman:** The polluter must pay. Have we not heard that somewhere before?

**Hon. Mr. Brandt:** It is a comment I have heard from time to time.

**Mr. Elston:** We should have that legislation available to a minister who is concerned about cleaning up the environment, as I know you are.

We have also had some comment about the King township charges, and I am very interested in those. I note the dispatch with which the new minister acted, although I understand there was some time between the original complaints being laid and his appointment. I know there were some deliberations that took some time

before they actually worked their way through the process.

I congratulate you on the charges. I must say I have seen in your press material that has come to me an increase at least in the publicity given to the number of charges that have been issued under your supervision. But I have to ask myself why it took so long for the charges that ought to have been laid in King township to surface. Why did it take so long for complaints, which I understand were made earlier, to work their way through the system?

I am very pleased to hear you are going to put the cost of the cleanup upon the owner and the haulers as far as that goes, but I have to ask you what you plan in the case where the owner or the hauler goes out of business. What do we do in the Upper Ottawa Street situation where the businesses which originally deposited the material are no longer in existence? At least I understand that to be the situation; I think that is right. I stand to be corrected if that is not right.

What do we do with those costs? How do you determine that you are going to protect the taxpayers of Ontario against the costs of those cleanups for dumping, whether legal or illegal? If the business does not have the money, where do you get it from?

My concern is that we should perhaps be looking at a piece of legislation which would reach much further and allow us to go, in some cases, behind the corporate veil, as it were, to get to the people who actually suck the funds out of the illegal dumper or who suck the funds out of the corporation and allow the illegal dumping to go on. I would like some comments on that if you could.

There are several other things. I have one item that could be viewed in the parlance of our occupation as a line-fence matter, but it stretches across the province. I understood from you earlier that there are some 21 upright water holding tanks in various municipalities.

**9 p.m.**

Dealing with the Wingham concrete water tank and the repair problems they are running into, I appreciate the receipt of a letter which has just come to my attention, indicating that you are reviewing the matter. Perhaps you could tell us for the record what the ministry is going to do for those municipalities, such as Wingham, that are suffering similar problems to alleviate the difficulties they are having in dealing with the structural difficulties with these water tanks.

I have a concern as well about what is happening with a number of our major issues in the environment field. One of those issues deals with dioxin, but it might just as well be related earlier on to such issues as acid rain. It is with respect to the profile being kept by the larger companies that have a corporate interest in at least confusing the current information which is available. If you would, I would like to have you comment with respect to the dioxin question in the environmental sense. We have heard a number of pronouncements from environmentally sensitive organizations which place dioxin in one of the highest toxic categories known to man.

When I came into this role as critic in 1982, dioxin was then commonly called in the province the greatest killer known to man. We are now getting back to a stage where a good number of our corporations are leading us to believe that that is not the current situation. I would like you to clarify the position of the ministry with respect to such toxic substances as dioxin. In that sense, perhaps you could go right to the most toxic of all and tell us how you propose to deal with the problems of deciphering who is right on dioxin. It is something I have been wrestling with for some time.

I have received a copy of the judgement from Nova Scotia dealing with the spraying of the defoliants there in the deciduous forests and I have read portions of it. I have read a good bit of it, actually, and I am not sure that it is as definitive as the folks from whom I received the material would indicate, but I know exactly why they are using the material as they are.

It is not an easy game in coming up with some kind of a definition of what is dangerous and what is not dangerous. I totally understand that. They say the efficacy of using the product allows us to make the decision to release it into our environment. We have to have from the Minister of the Environment of Ontario a statement as to how far he is willing to go to allow these releases of toxic materials, whether they be dioxin-related materials or others.

Perhaps you could make a comment or two about the process of approving some of the materials which have come to us via the testing procedure in the United States. As you know, the tester of some of those materials has been found to have doctored the results. Perhaps you could tell us whether or not you are looking at establishing your own guidelines.

Just as in the spring, there is a tremendous pile of material we have to go over and I will hurry

on with a couple of other points. One of the problems which is coming to us is a proposed diversion of Great Lakes waters from the western portion of Lake Superior. I saw written up in a journal the proposal to take some of the water and use it for irrigation in the northwestern United States. As an individual, I cannot see the benefit to Canada in allowing such a project to go on, especially when the early indications are that it would drop the Great Lakes water system some two feet as it impacts on us.

Certainly, to this point, I think we have seen a society that has tolerated the dilution concept with respect to pollutants that are released into our Great Lakes. If we are to take some two feet of water out of our Great Lakes system, it would utterly screw up the whole operation as we now know it and would certainly make our beach closing problem this summer look minor compared to what we would get into if we allowed that to go on.

I trust and I hope that the minister in his wisdom and with his influence over the Premier (Mr. Davis) and others will make some very strong representations about any proposed diversion that would affect those Great Lakes water systems.

**Mr. Piché:** Mr. Chairman, before we go any further, I know the opposition researchers sometimes go in different directions, but is what he is talking about factual?

**Mr. Elston:** It has been proposed.

**Mr. Piché:** Oh, it has been proposed. Everybody and his uncle, every engineer—

Interjections.

**Mr. Piché:** Diversions, yes. But there are all kinds of discussions about different things in Ontario and Canada. Is this something that pertains to us right now?

**Mr. Elston:** Oh, yes.

**Mr. Piché:** I appreciate what the member is bringing up, but as far as I am concerned I do not think there is anything to it that we should be concerned about. If there is, I would like to know from the minister. But we have so many things to discuss with the ministry and the minister, and I am not very sure that what the member is bringing up means anything. I could tell a story about diverting water from James Bay, Hudson Bay—

**Mr. Wildman:** Attawapiskat.

**Mr. Piché:** —Attawapiskat and Winisk, you name it, to the United States. I have also heard that Saudi Arabia would take water from Ontario

in exchange for oil. But is it something that has any fact to it that we should be concerned about? This is what I would like to know.

**Mr. Charlton:** Yes.

**Mr. Piché:** I am from the middle of it; I am from northern Ontario. I know these things and I am not aware of what the member is coming up with, aside from reading the odd article and this and that or something his research office does, and his research would like to go off half-cocked sometimes.

**Mr. Charlton:** Mr. Chairman, just on that very topic, the International Joint Commission held hearings last spring on the question of Great Lakes water diversion. The International Joint Commission, including Canadians and Americans, felt it was a serious enough question to hold public hearings on it.

I should point out that the ministry made presentations to those hearings, as did our caucus, and that it is a serious and real concern. There are those across the border who at present are pushing or who have been pushing proposals very strongly.

**Mr. Elston:** Ever since Columbia turned out to be a great deal for them, they want to take it further.

**Hon. Mr. Brandt:** If I may just comment briefly, I take the comments of the member for Huron-Bruce seriously because more recently we have heard about all-season navigation on the Great Lakes, which has come up rather unexpectedly, although it has been bounced around for a while.

I did make some immediate comment on that and responded to what I thought was a reasonably serious proposal on the part of some of the US representatives. In connection with the diversion of the Great Lakes, I might add that there is already some diversion going on in the Chicago area, and there have been comments from time to time. How serious they are is anyone's question.

I think we have to take the matter relatively seriously in the sense that we know there is a very acute shortage of water in the western United States at this time, particularly in the southwestern United States. We know there have been a number of proposals to divert water from the Great Lakes, which is one of the greatest watersheds in the entire world, in order to feed that part of the US.

There have been various representations made from Canadian politicians and representatives to the effect that we would view with alarm any

American initiatives to proceed without proper negotiation and dialogue. On the other side of the fence, there are some Canadian representatives—I am not necessarily concurring with them about the same, only indicating what has been said in the past—who have indicated that they think water is a saleable commodity, much like oil, gas or another natural resource, and we should be co-operating with US officials perhaps to sell this as something from which we can earn some dollars.

So I take the comment seriously. I appreciate what the member for Kapuskasing is saying.

**Mr. Piché:** Cochrane North.

9:10 p.m.

**Hon. Mr. Brandt:** Cochrane North. But the centre of the universe, as we all know, is Kapuskasing.

**Mr. Wildman:** It is the centre of Ontario.

**Hon. Mr. Brandt:** Oh, without question. I knew that. I appreciate what you are saying. I do not think it should take up a great deal of time with this committee, but it is something that should go on the record, from my perspective.

Interjections.

**Mr. Elston:** I will just stop after making a couple of comments, Mr. Chairman, at least with your indulgence. But some of my comments have generated a little bit of discussion which has been quite profitable, as is the opposition role here in the Legislature always profitable for government members and ministers.

I would like to know as well, when we come down to it, what concern the minister has with respect to his blueprint. He made a statement which indicated that the four Rs, as they are dubbed, should become the norm. It appeared to me, when he made those comments, that perhaps there was something in his mind which indicated that there was a general resistance in the public, or somewhere, to reuse, recycling, recovering, etc., becoming part of the norm of Ontario. Perhaps he would share with us some of his thoughts with respect to the program which was reannounced this year in the grandest style of recycling, if I might say it myself.

I am encouraged by the suggestions of the minister that it is not too late to make comments with respect to the blueprint inasmuch as this blueprint really has been in the making since 1975; so it may not be too late to make comments maybe up to 1985.

**Hon. Mr. Brandt:** No. Up till the end of this year perhaps, but not 1985.

**Mr. Elston:** Then 1983 is the final countdown for those people.

**Hon. Mr. Brandt:** We are in the 11th hour, Mr. Elston, I assure you.

**Mr. Elston:** From 1975 to 1983; we are quite pleased to have that opportunity.

**Hon. Mr. Brandt:** Fast-tracking the need.

**Mr. Elston:** With respect to Dr. Chant, if we might discuss that later, to reiterate a couple of the points I made earlier, I have to know from the minister how his operation is fitting in with the ministry's. I mentioned it earlier in respect to his relation with the blueprint itself, but I note, in going through the public accounts for 1982-83, that we appropriated some \$6 million for the Ontario Waste Management Corp. and spent some \$5 million. I want to know if, from the minister's perspective, everything is going well with the operation of the OWMC and its mandate.

We had some discussions with Dr. Chant in last year's estimates about that and about any difficulties, and they were answered lightly to the extent that he was able. I want to be sure that the minister has not lost track of what is happening with the OWMC.

I have gone on a little bit longer than I expected. Mr. Chairman, I appreciate your tolerance.

**Mr. Piché:** Speaking for the minister, he has not.

**Mr. Elston:** I have a number of other concerns we can get to in the votes. I look forward to hearing the comments of the minister and congratulate him for one positive step that I see. Although I know that the people here assembled as representatives of the ministry do like to come in and listen to us chat here at the desk, I note there are not 42 or 43, which there were a year ago, and you select people who are here who will be able to go back and relay to those people how keenly interested we are in the progress of the ministry with respect to our environmental concerns.

**Hon. Mr. Brandt:** Before you conclude your remarks, let me just assure you that the ministry is now lean and very keen.

**Mr. Elston:** But not necessarily mean.

**Hon. Mr. Brandt:** No, not mean. They are most benevolent when it comes to environmental matters. They have a very real interest in those areas of public life. I want to assure you that we have their voluntary presence here; it is not a command performance. These are people

who are dedicated and vitally interested in environmental matters. It is very much a learning process.

**Mr. Piché:** Could we get some affidavits signed on that statement?

**Hon. Mr. Brandt:** As a matter of fact, I understand the deputy had to issue tickets to allow in only a certain number. There was such a large number who wanted to volunteer their presence here tonight we knew they would overflow the room, but I appreciate your mentioning the fact that it is a smaller group.

**Mr. Elston:** Any of those people who are looking for promotions may see the minister privately afterwards.

**Hon. Mr. Brandt:** That will not be necessary. I have all their names written down.

I want to thank the member for Huron-Bruce (Mr. Elston) for his presentation. It was most comprehensive and most valuable, and I will be more than pleased to get back on what I have numbered as being some 19 or 20 separate questions that he has raised, in addition to the others that were raised when my predecessor was in this chair. I would hope to be able to get at those following the next comments.

**Mr. Charlton:** Mr. Chairman, I will be fairly brief in my response to the minister's statement tonight simply because, since he is going to be with us for the rest of these estimates, we can deal more specifically with some of his comments during the votes. I do have a number of comments I would like to make about his remarks tonight before I get back into my long, split opening statement from last June.

Perhaps I can start out my remarks by—

**Mr. Williams:** Could I just interrupt? I was just wondering if the minister's statement could now be released, now that he has given it?

**Hon. Mr. Brandt:** Oh, I am sorry, I did not realize that it was not distributed. Certainly all members may have one.

**Mr. Charlton:** Perhaps I can just start out by congratulating the minister on his appointment and saying that as a result of the few contacts we had this summer, including a lengthy discussion we had over lunch some time ago, I sensed a very open and very straightforward approach by the new minister. I hope that out of that can evolve a new and more useful and workable relationship among the minister, the ministry and the opposition parties.

I want to assure the minister that although on a number of occasions his predecessor accused

us of being alarmist and any number of any other things, such as irresponsible, etc., that—

**Mr. Wildman:** He wouldn't say that, would he?

**Mr. Charlton:** —in 90 per cent of the cases the things we raise are things that are brought to us by citizens of this province, and the concerns that we express are theirs in most cases, not our own. Although our research staff does work on the things that get brought to us, the initial concern is something that comes from the residents of this province and not from our own dreams and fantasies.

I get back to a comment the minister made at the very outset of his remarks about learning by direct contact and how he was very impressed with the staff of his ministry. Perhaps that is a good point from which to start out and to suggest that perhaps he and I can get something straight right from the outset.

Again, your predecessor on a number of occasions took our questions, comments and/or attacks—if you wish to from time to time assess our comments as attacks—on the ministry as attacks on his staff. I just want to assure the minister that we have probably as high a regard for the staff of the ministry as he does and his predecessor did, and that the attacks, the comments or the questions we might raise about testing, studies, approaches, policy, etc., are not attacks on the staff of the ministry.

**9:20 p.m.**

It is my firm belief, and it always has been, that in the same way as a production line worker in an automobile plant or an employee in your ministry, or a computer for that matter, puts something out the other end, what comes out the other end is very largely determined by the direction that comes in the front end. The political policies that are set by the cabinet, by the Treasurer (Mr. Grossman) and by yourself in consultation with your senior staff basically set the tone for what your staff does. In that context, whether we are questioning the results of a report or attacking a policy, it has nothing to do with our view of the competence or incompetence of the staff of your ministry. It is an attack on or a comment about those whom we see setting the direction.

If we can have that clear from the outset, perhaps we will not have to go through whether your staff is the best or the worst because, from my perspective, that is not the question. I have great confidence in your staff people and, on those occasions when I have dealt with them

directly, I have had a great deal of co-operation and useful dialogue. That should be understood from the outset.

You made comments about the bacterial contamination of public beaches this summer. I do not want to get into a lengthy discussion of it now—that is more appropriately done under the appropriate vote—but I want to say that I see two things lacking in the whole debate that went on this summer.

One is too much willingness on the part of yourself and your ministry and on the part of the municipalities to look to the other instead of sitting down together. For example, the minister is no doubt aware of the studies that were released last May on the Don River and a number of others in the Metro area. The facts about the problems that exist in terms of water quality in the Toronto area have been known by the research staff and the testing staff in your ministry for quite some number of years now.

There is one thing that bothers me about all of that. The documents released last May certainly were very helpful and very straightforward in their assessment of the problem. It somewhat astounds me, though, that we are all still in the bind. You had to admit that a number of times this summer as well, as did municipal officials and others. We are still a very long way from identifying all of the sources in any kind of extensive and full way. From my perspective, that has to be one of the top priorities in the short term: the identification of those sources.

It seems to me that the resolution of the kinds of problems we had this summer cannot be adequately or sanely approached if we do not have a good handle on the question of sources. It is my hope that there will be a major effort in the next year or so—as opposed to just continuing to monitor, though obviously that has to be done—to start identifying those sources so that the proposals for solutions we come up with, both at the provincial level and in conjunction with the municipalities, have some relationship to reality. I understand that during the course of the summer some of the problems have been identified, but we are a long way from identifying the overall bulk of those problems.

On the question of acid rain, the minister made a number of comments. Again we can get into more lengthy discussion of the question of acid rain under the appropriate vote, but I think one aspect of this question which I raised in the initial part of my opening remarks in June merits repeating now in the form of a question to the minister and he can respond to this at some

point at the end of my comments, during the appropriate vote or however he wishes to handle that.

Basically, regardless of what happens in the negotiations with the United States, through both his ministry and the federal department External Affairs, or whatever else we might get involved in, such as court actions etc., what we would like from the new minister is an assurance that Ontario's dealings with the private sector, through his ministry and Ontario Hydro, will proceed with and meet the commitment that has been discussed and set out in this province of reductions of 50 per cent by 1990.

I understand, and Mr. Norton and I discussed it in June, that in this problem there has to be some use of bargaining tools with the other side. On the other hand, we as Ontarians cannot be put in a position of forgetting our own commitments because the other side will not play ball. We have examples to set and problems to clean up and, regardless of whether or not we can totally solve the problem of acid rain by cleaning up our own problems, we as a parliament, you as a government and we as a society in Ontario have a responsibility to deal with our failures and correct them regardless of whether anybody else is playing ball.

At some point I would like an assurance from the minister that ultimately Ontario will stick to its game plan regardless of the outcome of negotiations.

On the question of the Blueprint for Waste Management, again I will be very brief. We can get into a thorough discussion of it later, but I just want to pass this comment along to the minister. We in our caucus have very little objection to the documents themselves. On the other hand, we are somewhat sceptical.

We say that because, in our view, basically the Blueprint for Waste Management is the pulling together of all the rhetoric that we have heard over and over again in the course of the past decade. That in itself does not make the document bad, but I suppose our scepticism comes from the fact that we are still at the stage of the rhetoric.

On the other hand, however, we will judge the progress from this point on, but we will judge it very critically because of our scepticism and the fact that many of the things set out in the blueprint are things that have been been, as I said, repeated over and over again and very little has been accomplished in the global sense of waste management.

As I suggested, we will judge the new minister

and progress on the blueprint from this point on, but we will judge it very critically because it is not something new; it is something that has been around for a long time. What we want from this point on is progress in terms of reaching action.

**9:30 p.m.**

The minister also commented on research that is going on in terms of improved methods of municipal water filtration and water purification. We welcome those comments and will be as supportive as we can in whatever endeavours the ministry gets involved in in those areas.

I fully agree with the minister that it makes sense to look at any number of potential approaches to better methods of water filtration, not just the carbon filtration and ozonation approach. On the other hand, I just want to pass this comment to the minister for his thoughts about how he approaches some of these things.

Experts are useful to consult, but it also makes sense for the minister and his staff to get out of the milieu of expertise from time to time and talk to some of the front-line people. For example, the minister may be aware of a task force report our caucus did in conjunction with some members of our federal caucus 21 months ago. During the course of that task force we visited a couple of water filtration plants here in Toronto.

During our tours of those plants we got into discussions with some of the engineering staff, the people who run them and make them work. Interestingly enough, all of them individually, in isolation—not at the same time in the same place—told us basically the same things. They were convinced that, for example, carbon filtration systems could be installed in their plants as they exist for a very minimal cost as opposed to a major cost.

It is sometimes useful to get outside of the discussions you might have with the experts and the planners and talk to some of the front-line people who make our present systems operate. You might find you get different comments from them than from somebody who has developed a system totally in isolation that is going to require the construction of a whole new plant and system to make it work. There are options like that the minister surely would like to look at; so I just pass that comment along.

At this point, Mr. Chairman, I have pretty well finished my comments in response to the minister. If he wishes to take a few moments to respond, he may. Otherwise I will proceed with my original opening statement. Does he want to say something now?

**Hon. Mr. Brandt:** No. Either I can respond now or I can wait until you have concluded your statement. Mr. Elston is temporarily in absentia so I will—

Interjection.

**Hon. Mr. Brandt:** I am sorry. I did not realize you were still here.

**Mr. Charlton:** I will continue with my statement. You may now start the clock and I will resume my opening statement from June.

**Mr. Chairman:** I think that would be the appropriate thing to do and the minister can respond to all questions at one time.

**Mr. Charlton:** Fair enough.

**Mr. Wildman:** One after another; not all the questions at one time.

**Mr. Chairman:** Yes, no, no, yes, yes, no.

**Hon. Mr. Brandt:** In the course of my comments I will try to separate those so they are reasonably understandable not only to you but to me as well.

**Mr. Charlton:** It would be appropriate to go back to where I left off in June and to express, although he has left and it is unfortunate he has left, my sincerest regrets and sympathies to Mr. Piché.

At the conclusion of our comments in June, I was suggesting to the former minister, Mr. Norton, that if he were still the minister of this ministry after this summer—and I think both of the opposition critics support him in this since the minister from time to time seems to carry a little more weight than the opposition critics do—I sincerely hoped he would insist strongly for the future that the estimates of this ministry get scheduled in such a fashion that we would not be confronted with the spectre of a break of three months' duration in the middle of the estimates.

This is a very technical ministry. It is a ministry where the issues and the facts of the issues, if you like, change from day to day. It is a very difficult process. I certainly know that what happened this year is in no way the member's fault; it is in no way any of our faults, I guess. However, I do not think the member would have any objection from either Mr. Elston or myself; in fact, he would probably find very strong support from both of us to take that stand in future, specifically next year when the estimates come up.

Mr. Piché's comment to me, when I suggested this might happen, was: "Oh, no. There is nothing to worry about. The minister will still be

here. He has got to stay here until he can solve my problems and answer my questions." Now, the member has to start all over again.

**Mr. Chairman:** I am sure he will, too.

**Mr. Charlton:** Oh, he will.

I want to pick up where I left off. The next item on my list of comments when I was interrupted by the summer dealt with the area of waste management and specifically with the question of the soft drink container regulations.

I want to express to the minister a fairly serious disappointment in what happened this year. The discussions and the input that went on last winter and well into the spring, both from industry, from the opposition through questioning in the House and from the lobbying that went on both with the ministry and with the opposition critics by almost every conceivable facet of the industry out there was a very useful and very interesting process. During the process, I sensed that we were on the verge of some real breakthroughs, that for the first time in my recollection, industries were seriously discussing and even scrambling to make proposals on recycling, which we have never seen before.

The minister was not here in 1974, 1975, 1976 and 1977, the last time we went through this debate—neither was I, unfortunately—but I think the minister is aware of the debate that went on in that period which ended up in the 50-50 regulation and subsequently in the gentlemen's agreement of 75-25 in terms of returnables or nonrefillables. That was a useful process and it took us to a new plateau. It was not, however, the end of the line.

I sensed in the discussions that were going on last winter that we were very close to a breakthrough, to a new plateau. The minister can correct me during the course of the estimates if I am wrong, but on May 9 this news release came out from the ministry, stating, "A new enforcement program is under way as a major effort to increase the sale of soft drinks in refillable containers and to prevent further erosion of the use of refillable bottles, the Minister of the Environment (Mr. Norton) announced today."

All through the debate last winter and last spring, we sensed from the minister that he would be making an announcement almost immediately about some major changes and some major shifts in direction. Then we received this news release, which basically says we are going to start some tougher enforcement to try to get us back to the gentlemen's agreement of 1977. I do not object to or oppose that; we have fallen below that gentlemen's agreement.

It seems to me, however, that as a result of this press release and then the total lack of any further discussion after that on the question of going beyond that, into the areas of recycling and looking at the options very carefully there, the initiative that was there last winter and the potential for breakthrough has been lost. I sincerely hope that is not true, but the very deafening silence since May increasingly gives me the impression that initiative has been lost. If it has, I want to know why. I want to know what happened.

As I suggested, the industries that were lobbying us last spring—not only the industries but employees of those industries as well—for the first time were talking realistically about some new breakthroughs. They certainly did not all agree with each other about what those breakthroughs should be, but they were looking at things that none of them were prepared to look at seven or eight years ago.

**9:40 p.m.**

I sincerely hope that initiative has not been lost, and I would like to hear the minister's comments about that at some point because, let us face it, we have run into a whole new era in waste management in this province.

For example, nobody could tell the minister better than his staff about the difficulties we are now going through in trying to establish new sanitary landfill sites when the old ones get filled up. We have to be looking at new and innovative solutions to that ever-growing problem. Any number of municipalities around the province are going to have to look for new places or new ways of dealing with their wastes very shortly because the landfill sites they are now using will be filled.

It is obvious to me that one of the major things we can be doing to assist with that problem is in the area of waste reduction. Recycling is one of the very positive options we have for reducing the amount of solid waste that municipalities have to try to dispose of. It is all well and good to dump the problem of solid waste and residential waste disposal in the laps of the municipalities and then put them through an environmental assessment of their new proposed sites—and certainly we are not going to quarrel with that either, because we have to be very careful from this point on about not making the same kinds of mistakes we made in the past—but anything we can do to reduce the burden of their problem has to be important for the future of this province.

It is an area that is very important to me and I

think to our caucus and to a number of environment groups around the province. I look forward to hearing the minister's comments, because it is an area where we have to make some major initiatives in the very near future.

**Mr. Elston:** Mr. Chairman, just before Mr. Charlton moves on, I want to say that because the beverage container question is of concern to us all, it is interesting to note that the question largely now is whether the recyclable portion of the nonrefillables will go to the plastics industry, to the aluminum industry or to Stelco.

Is the minister now looking at the whole question of recyclability from the vantage point of the number of jobs that can be created, is he looking at it from the number of jobs that will not be lost, or is he looking at it from the point of view of the efficacy of the program of recyclability that is being put forward by the various proponents?

Maybe I should raise one more item in a brief sense so I do not interrupt Mr. Charlton's remarks for too long. Is a return to the 50-50 proposition, which we were dealing with in years gone by, really possible in this day and age? I spoke to a good number of people—

**Mr. Charlton:** It is very close to 50-50 right now. It is 75-25 we want to get back to.

**Mr. Elston:** Sorry, the 75-25. It sounded as if it was almost impossible for those refillable people to get back to the enforceability of that 75-25 at this point because of the retooling and the extra incidentals they have to get into. I wonder how realistic the minister was in issuing that press statement when the people who are involved in it first hand could not see how you could get back to that overnight.

So I would like to hear in the fullness of time a full answer with respect to the whole question of recycling commodities and whether or not the minister feels the job issue is the paramount question we have to answer, or whether the recyclability of the product is the paramount question.

**Hon. Mr. Brandt:** I do not mind answering briefly now, with a more complete answer to follow. There is no question that the environmental concerns are the mandate of this ministry and that our central thrust is to ensure that some of the comments and concerns that have been raised by the member for Hamilton Mountain and reiterated by the member for Huron-Bruce are comments that we have to take into account with respect to the life expectancy of landfill sites, the problem of filling those sites up

too quickly and then the attendant difficulties from the standpoint of taking environmental assessments, the cost and the time delays and, frankly, the very critical time lines that impact on municipalities when they fill up those sites very quickly. So environmentally we are very concerned.

The member for Hamilton Mountain raised an extremely interesting point during his comments, and that was whether or not we have lost our initiative or any of the thrust that had developed with respect to coming to at least a more acceptable kind of conclusion in this very complex issue. There is no question that the dimension of jobs is another issue that has to be addressed, particularly in a city like Hamilton, where the steel industry is very dependent on the manufacturing of cans.

As the member is aware, there are other producers of containers, such as the plastics industry, paper perhaps, certainly aluminum, who are all looking at a piece of the market or some way in which they can become part and parcel of the soft drink container operations.

**Mr. Watson:** Don't forget the glass.

**Hon. Mr. Brandt:** I am sorry. I missed glass, but I was talking about some of the newer products and I was sort of accepting that your Wallaceburg interests were already incorporated in the sense that they were part of the industry.

I did not want to give members a litany of whom I have met and whom I have yet to meet with respect to this issue, but as the staff knows, I have met virtually all segments of the industry and all interest groups within the industry to this point. As well, when I met with some of the groups that have environmental interests I have specifically asked them their opinion on bottles and cans with respect to in what direction we should be heading or any advice or suggestions they could give the ministry. So I have tried to get a balance in input from spokesmen from both ends of the spectrum of this issue.

One of the things I appreciate about the member's comment with respect to whether or not we are moving ahead, whether we are still maintaining some kind of initiative in moving in an advanced kind of way, is the fact that what has happened, thankfully, is that the industries themselves, recognizing that we are moving to a conclusion with respect to this issue—and I have to say the steel industry specifically—have now recognized that the recycling aspects of this whole field are an extremely vital, necessary

and important part of any program they might come up with.

Back in May that was not the case. The steel industry has only recently been talking in a serious way, and I would say that within a matter of certainly not more than the last two months it has been talking about the need for the industry to get into a very comprehensive recycling program. I think this is a major breakthrough. It is a component, quite frankly, that we did not have in our analysis even some time ago, because it was a component that was not offered to us and it was a dimension to the problem that we were not weighing in the fullest sense of the word when we were looking at all of the alternatives.

I do not know how I can be more direct with the question than to say that the staff is in the process of review. When I say "review" it sounds as though we have the thing on the back burner somewhere; that is not the case at all. I have been here three months. I have asked for a little bit of time to meet with the groups to give them an opportunity to have input to me personally, because they have not met with me yet. I have tried to arrange those interviews and those sessions on as quick a basis as is possible.

**9:50 p.m.**

I have just about completed my direct contact with the special interest groups that do want to come in. Of course, there are very large sums of money involved in this industry. The environmental aspect of it is of prime importance to me and to the members of this committee and to the ministry.

We also have to recognize what the total impact is going to be down the line. So although environment is the first priority, certainly jobs, as you mentioned, Mr. Elston, recycling, the whole spectrum of what the impact would be with any changes we might propose has to be taken into account.

I can only make this commitment: I am moving as quickly as I think is possible to come to a conclusion on this. In response to a point Mr. Elston made, I have simply stated to the industry that once we have come to a conclusion with respect to a specific policy we will look for at least some time frame of input from the industry—a short time frame of maybe 30 days—after we propose some kind of a policy. That could be in the form of a white paper or some other similar document.

Following that, there would be a phasing in of any changes that would be proposed to allow the industry to gear up, recognizing the very

concerns that Mr. Elston raised; namely, that if there was a very major shift from one container to another, obviously it would require some time for the industry to adjust to that kind of transitional period. We have taken that into account in our deliberations.

We do not have a decision yet, as I have indicated, but we are moving very rapidly towards a decision. Almost everyone in the industry has made it abundantly clear that he wants a decision as quickly as possible. I do not want to be held to this time frame specifically, but I can tell you we are looking towards the end of this year as being the terminal point for the whole program; in other words, to have something specific to propose at that time.

**Mr. Charlton:** I appreciate the minister's comments and I will add just one further remark on this topic. I cannot speak for Mr. Elston, but this whole process we went through last winter basically was a process that was commenced by an interministerial task force that was set up.

From my perspective, the whole process to date has been much too secretive. It was only quite by accident that last fall we learned about that interministerial task force and raised it in the House. At that point, once the existence of the task force had become public, then a much broader discussion evolved. It is an issue of very serious concern to all of us.

I would appreciate more open discussions with the minister. I said at the outset that I sensed a much more open approach on the part of the new minister, and I will commit myself to being available to discuss matters around the questions of waste management, specifically in the areas of residential waste—not just the soft drink containers, although I think that is a good place to start.

**Hon. Mr. Brandt:** It is a major contributor, certainly.

**Mr. Charlton:** Yes. It is a process in which I think we can all be very useful, because there are a lot of things that in the past have been contentious political issues because of the rifts between industry and labour and competing industries and so on. The rifts are not quite as big as they used to be and there is a far greater willingness to find solutions. I think that is probably also true of the political rifts, if you like, between the government and the opposition parties in terms of finding solutions in this area. I think there can be a lot more co-operation than there has been in the past and I would sincerely like to see that happen.

Going on from that topic, I go back to another comment the minister made in his remarks and one I commented on, which was the question of research and improved ability on the part of the municipalities to provide water treatment. The kind of initiative the minister expressed in that area can also apply to other areas of environmental concern, and I raise specifically the issue of the Upper Ottawa Street dump and the discussion that has been going on around the study committee's proposal in its first report for a collection and burning system.

I do not want to get into a discussion about the scientific side of that report and whether or not there are any short-term or long-term dangers from the emissions at that site because, as the committee suggested in its report, the emissions will be a public concern whether or not there is hard and fast scientific evidence to establish potential harm. I think that is largely why the committee recommended the approach it recommended, (a) because of the long-term potential for health hazards, and (b) because of the public concern as opposed to any real scientific evidence of short-term dangers.

Unfortunately I do not have the minister's exact comments with me. I looked this evening for the comments he made to the press some time ago about whose responsibility that system would be. Basically, although the minister is correct that the Upper Ottawa Street dump, from 1974 until its closing in 1980, was the property of and the responsibility of the regional municipality of Hamilton-Wentworth, the reality is that the dump was operated for 25 or 30 years, long before the region even existed, and the problems that exist there are problems which we are going to find recurring around this province as we investigate old dump sites, closed dump sites and complaints about fumes and discovering where those fumes are coming from and so on.

It seems to me most appropriate in a case like the Upper Ottawa Street site, which has been one of the higher profile landfill sites in terms of the disposal of liquid industrial waste in this province, if we could be using that site as a pilot project in terms of the technical capabilities of dealing with gaseous emissions from landfill sites.

There certainly are all kinds of technical documents from other jurisdictions kicking around in terms of the ability to collect and to burn but we have no firsthand experience on our own, and it seems to me that is one area

where this ministry should be extremely interested in doing some firsthand research and coming to some conclusions about standards and technologies and approaches to those kinds of questions.

I think it is imperative that as that study goes on and as the study committee looks further into the appropriateness, first of all, of proceeding with collection and burning on that site and the specific technologies that are proposed, the ministry should be prepared to get involved as well, both from a research point of view and a financial point of view, in terms of seeing that through to its completion for the sake of the local concern around the Upper Ottawa Street dump and also for the sake of the process of technological environmental development for use across this province.

**10 p.m.**

I just make those comments to the minister in the context of what I think is a very important development. Basically we are in a situation in this province where, although we have done a lot of studying of problem landfill sites and there has been lots of dialogue in this province about Upper Ottawa Street, Stouffville, the Pauzé site, the Uniroyal site and any number of other sites in this province, we have not gone very far yet in terms of conclusions and technologies to deal with those problems that exist, and in my view it is imperative that you and your ministry be in the forefront of that.

While I am on the Upper Ottawa Street issue, that reminds me of something that does not fall on your head as the new minister but is certainly something that at some point we would like an answer to because it has been raised a number of times. I raised with your predecessor last spring, at the time that the Upper Ottawa Street study committee interim report was released, that it was our view there were still some major problems in the waybill system in this province. I believe that, but I would have to say quite honestly to the minister, I would prefer not to believe that. I would like a demonstration of the improvements that have been made in the waybill system.

Your predecessor talked a number of times about those improvements, but I asked him last spring where the eight million to 10 million gallons of liquid industrial waste that were going into the Upper Ottawa Street dump in 1978 were now going, now that the dump was closed. The minister's response was—and this is not an exact quote—that he was sure the ministry could identify where those wastes were now going or

whether they were being handled by the industries that generate them. It got left at that and we have never had the answer to that question in specific terms.

I would like that answer at some point, simply because if the bad situations that existed with the monitoring of industrial waste in the middle and late 1970s are no longer true and are now just myths, it is in your best interests to dispel those myths. As long as those answers are not forthcoming, the myths will persist and the questions about how efficiently your ministry is operating will persist as well.

That brings up another point, and again this is not a point which I can dump in your lap since it was raised by your predecessor. In his opening statement last June your predecessor, as a result of some of the to and fro that was going on during his opening statement, made some comments about facts, facts and emotions. He made those comments from the perspective that the ministry deals from facts, whereas quite often groups out there in the real world deal from a level of emotion that quite often ignores facts.

There is no doubt in my mind that there are a great many cases where that is true. On the other hand, I would not want to see the new minister get as wrapped up in facts as his predecessor did from time to time. I think the minister is well aware of the old saying that figures can lie and liars can figure. There have been a number of cases I have been involved with over my two and a half years as the Environment critic where there have been facts and where the facts when the issue started were quite different from the facts down the road. In other words, facts change. What was a fact yesterday may no longer be a fact today.

I will just give you one example, and I give you this example because it will lead to my next comment. In the case of the Stouffville landfill site, your sanitation site number four, when I first got involved in that case in May 1981 and for some considerable period after that, the consultants for the operators of the site, Rovers and Associates, felt the drainage was to the southwest. I cannot speak for all of your staff because I do not know the opinions of all of your staff at that time, but at least the reflection of the ministry's feeling through the minister was that the drainage of that site's ground water was almost exclusively to the southwest.

As I suggested, for a year or a year and a half after I got involved with that issue, those were the facts that were being pushed by the operators. Like I say, I cannot speak for all of your

staff, there may have been some of your staff who did not agree with others of your staff or who did not agree with what the minister was saying, but certainly the reflection of the ministry's position through the minister was that Rovers and Associates were correct in saying that the major water flow out of that site was to the southwest.

Finally, in the fall of 1982, the water resources branch of the ministry completed the second of two water resources reports. The first one was on the Black Creek. I cannot recall the other waterway that was involved. Anyway, this was the second of them, the Holland and Black River basins.

**Hon. Mr. Brandt:** On Musselman Lake.

**Mr. Charlton:** Yes. At any rate, what these studies ultimately showed is that the facts that were being spouted much earlier in the development of the Stouffville saga were not absolute and that in fact there is drainage out of that site, both on the surface and under the surface, to the west, to the north and to the northeast.

I make that point not to have a long discussion about facts but simply to make the point that facts change as knowledge grows. I also make that point for another reason, and it goes back to something I said earlier about experts. Experts have their place, and we all have to rely on expertise. We all have to look for expertise from time to time to learn new things.

On the other hand, we sometimes tend to overemphasize expertise and to negate firsthand knowledge because there is no credential for the person giving the firsthand knowledge. I go back again to the Stouffville case. What ultimately, in my opinion, was shown by these two studies is exactly what the local residents, the people who farmed that land before it became a landfill site, had been telling us all along. We can learn a lot from local people by listening to what they say and perhaps even going with them and observing what it is they want to show us and have to tell us.

As a matter of fact, about four months before this report finally came out in the fall of 1982, I met with the minister's predecessor and his special assistant privately and asked them quite sincerely if they would join me and go up there and look at the things the local residents had shown us which contradicted many of the things which had been said about that site in the past. The minister said he would consider it and we never got around to doing it.

Again, I make the point simply to say that many of the things that local residents will raise

warrant serious further investigation and they should not just be written off because the experts tell us they cannot happen that way. Quite often, because of a lack of full information, the experts cannot make the judgement the local residents can.

### 10:10 p.m.

We have to rely a little more evenly on all of the information on an issue that is presented to us, and not just on what so-called experts and/or so-called residents might tell us from time to time. We just have to have a fuller look and a more open and sympathetic ear to what we are being told.

I think members will find that the same kinds of things are true around the Upper Ottawa Street dump and the Pauzé site and that the comments a number of residents have made about those areas are true as well.

There are just a couple of other issues I would like to touch on before I wrap up. I will not be too much longer. I will not go into any great depth on this one. Perhaps we can have some detailed discussions again under the appropriate votes. This is an issue of great concern to me and to a number of my colleagues in my caucus, and I would assume from the minister's comments in the *Toronto Star* on October 3 that he is also concerned. This is the whole question you mentioned earlier about the proposals that are kicking around south of the border for extended navigation on the Great Lakes or, specifically, winter navigation on the Great Lakes.

I raise this issue now, not because the minister has not demonstrated he has some concern about it, but just to say it is a very crucial issue. The potential for rather significant disasters as a result of what is being proposed is huge. The bottom line is that although it looks now like the fight against the proposal for winter navigation is going to win, it is crucial that it does, at least at this stage. We just do not have the information or the studies or the full extent of the costs that will evolve to us if this proposal were to proceed at this stage.

Because it is so far along in the process, i.e., on the floor of Congress in a piece of legislation, it is imperative we all become very deeply and very forcefully involved in it as quickly as we can. There will be congressional hearings going on by another subcommittee of the Congress in parallel with the debate around the bill in the House. Those hearings will be commencing very shortly. It is my view that it is imperative that the ministry get as forcefully involved in it

as it can and that the minister put whatever pressure he can bring to bear on the federal government to jump in with both feet as well.

I and some of my colleagues from our caucus will be involved in that process and we have already latched on to a couple of the hearings which will be happening very shortly. It is an issue around which we should not be partisan in any way, shape or form. It is one on which we all have to fight together now and as quickly as we can get our act together. It is just too crucial to let it slip by at this stage.

My last comment, which Mr. Elston also raised during his response to you, has to do with the Malvern soil. I think the minister is well aware that the whole debate around the removal of the Malvern soil has dragged on for some considerable time now. The frustrations which are felt by the local residents have grown to an extent where they are now considering legal action. This, in my opinion, should not be necessary. It would be very costly for them and, ultimately, it could be very costly for the province as well, should they win, since the kinds of things they are considering now are legal actions around the prospect of bar-outs instead of removal of the soil, which could cost this government considerably more than its original intent to remove the soil.

The frustrations have grown up over a very lengthy period, as I suggested. Just last June, when we were coming to the end of our sittings on these very estimates, I talked to both Mr. Norton and Mr. Wells. They assured me, at that time, that they would have an announcement on the site within four or five days. That did not happen. We are now having another little to do in the media about being very close to announcing a site. I hope this is true and that we can see some action this fall. We must remember, however, that last year we promised the people in Malvern, the people on McClure Crescent, that the problem would be resolved before Christmas, and we are now approaching this Christmas.

I will just pass this along to the minister, since he was not a part of what went on last year when we debated the Malvern bill in the House, the bill that was sponsored by Mr. Wells. For our part, in our caucus we suggested that we were going to oppose the bill as it was set out, but we set out a very clear set of conditions under which we would support the bill. We went and had some private chats with Mr. Wells, along with one of his ministry's lawyers, after the debate on that bill.

We suggested that we were prepared to allow an exemption on any temporary site for the storage of that soil so long as the bill would include a time limit on the amount of time the soil could remain in any temporary site and so long as any permanent site would go through a full environmental assessment. Regardless of whether an environmental assessment on the disposal of low-level radioactive waste would have any legal or binding effect, the process itself would serve a good public purpose.

That situation has to be resolved because of the emotional and physical wellbeing of the people on McClure Crescent and also because those people feel they are being pushed to more extreme action to resolve their problems. I would suggest, at the outset, that it is my opinion it should not be necessary for those residents to have to go to court to resolve this problem. I know full well that it is not the total responsibility of this ministry simply because it is radioactive waste, but this ministry can play a very important role in resolving the problem. I would just hate to see it go the wrong way, with everybody ending up in court at considerable cost to both sides.

There were a number of suggestions made by myself and my colleagues in the debate on the Malvern bill. These suggestions may be totally irrelevant at this point. You may be much further along in your deliberations in terms of finding a suitable temporary site or perhaps even a permanent site. I have no information on this. I certainly hope, however, that the carrots that have been dangled about being very close to announcing a site are not as far away from reality as the same ones dangled last May and June.

With that, Mr. Chairman, I will end my remarks. We can get down to the specifics of the items in the estimates. Thank you.

**10:20 p.m.**

**Mr. Chairman:** Thank you very much, Mr. Charlton.

**Mr. Elston:** I have just one quick point. If we are getting close to the removal of that soil, perhaps the minister will be able to tell us whether he is requesting a return of the \$600,000 that was cut from his budget earlier on.

That was the way I introduced my remarks last June to the then minister concerning the soil question. That is why he indicated to us that in a few days there would be an announcement. It seems to me you are in a position now, as a new provincial minister, to set a series of new

priorities. I am wondering, too, if you are generally happy with the distribution of funds allocated to your ministry so far through the various votes. Perhaps there are areas you would wish to have changed or which you may be looking at changing.

I think there was an announcement that we had an updated set of materials. Unfortunately, I have not seen that in my office; perhaps it just has not got to me yet. However, I have not been able to review these up to now.

**Hon. Mr. Brandt:** Perhaps we could deal with that question right away. Mr. Richardson, Mr. Elston indicates he does not have the updated figures on either of the revisions in the budget. I think it is something that should have been circulated. Do we have that information for him.

**Clerk of the Committee:** I understood this was circulated to all members.

**Mr. Elston:** Maybe it did not get to the critic. I am not a member of this committee generally.

**Mr. Chairman:** This one has a September date on it and this has May. We had the other one.

**Mr. Elston:** The one I have is May, not September.

**Hon. Mr. Brandt:** We will see if that is correct. I apologize for that confusion. We will correct the situation right away.

**Mr. Chairman:** Mr. Brandt, would you like to make a response?

**Hon. Mr. Brandt:** Mr. Chairman, we have about 10 minutes. There are probably 25 or 30 questions in the comments that have been made this evening and close to that many questions have been raised previously by both the critics. We can proceed if you like.

What I would like to suggest, with the concurrence of the members of the committee, is that perhaps we could take the questions from the initial comments made when Mr. Norton was still here. I agree entirely that complications arose from splitting the estimates into two parts. It complicates it for you and for myself as well.

What I have tried to do is review and research what was done by the committee and by the critics prior to coming to these estimates. I have tried to update myself on what was said previously so that we would not, effectively, have to reinvent the wheel. We have about 10 minutes left. I do not mind, however, taking some of the questions now and perhaps using up the balance of the time going through as many of them as we can. Does that meet with everyone's approval?

One of the first questions raised by Mr. Elston was in connection with the number of landfill sites in Ontario. There was some confusion as to what was the correct number. Perhaps there might be some benefit in my asking Mr. Ron Gotts to come forward at this time. I could make some preliminary remarks and perhaps he could then get into detail about how the numbers were changed. Specifically, Mr. Gotts, I wonder if you could zero in on Mr. Elston's concern about some 500 sites which, when one looks at the numbers, appear at least to have been dropped.

In part, what has happened is that, as a result of the survey of open, closed, certified and uncertified sites, the whole range, the correct number you should have is 1,400. Is that it? Maybe Ron can answer that. There were the two numbers that we had questions about, one was 1,950, and I believe the other was 1,400 or 1,500.

**Mr. Gotts:** It is 1,451.

**Hon. Mr. Brandt:** The number is 1,451. For Mr. Elston, Mr. Charlton and the committee's benefit, I wonder if you could perhaps address the question of how many landfill sites we have active in Ontario now and how many are closed but so that we can deal with the same number in our discussions. If there is any dispute as to those numbers, we can discuss it now.

**Mr. Gotts:** I think there has been much confusion over these numbers because at times, in various addresses or papers, they tend to be rounded off and lumped together and so on. Basically, I think the confusion arises because from the time when we commissioned the study by the three contract universities to locate abandoned landfill sites. That is when the numbers became confused.

At the commencement of the study that was contracted out to the three universities there were 1,523 sites open and certified that the ministry was well aware of through its certification process. These 1,523 were open and certified. I will give you a series of numbers that relate to presurvey activities.

**Hon. Mr. Brandt:** I am sorry for interjecting, Mr. Gotts, but would you prepare or have ready for our next meeting on Thursday—

**Mr. Chairman:** Wednesday.

**Hon. Mr. Brandt:** No, I believe it is Thursday. We had some discussion about my problem on Wednesday.

**Mr. Charlton:** We will not be doing estimates tomorrow.

**Mr. Chairman:** Oh, is that right? The chairman now knows. Thanks for advising us.

**Hon. Mr. Brandt:** What I would like to have, so that we are working from the same sort of numbers, is simply a printout of what you are going to give now. You can read it into the record but would you prepare it so that the information can be circulated to the committee members?

**Mr. Gotts:** Right. At the time, just prior to the undertaking of the survey, the ministry was also aware of 746 sites that were closed and certified. In other words, certification started in 1971, the survey was done in 1975, and up to that time we were aware of 746 sites that had been certified and closed.

We were aware of two open sites that were uncertified. We were also aware of 724 sites through some preliminary investigation that were closed and uncertified. In other words, some preliminary investigation by region said that we had received information of about 724 sites that were closed and had never been certified. Therefore, that gave us a total of 1,470 sites that were closed, certified and uncertified. When we add that to the sites we knew about that were open and certified, total sites at that time were 2,995.

The contractors, in carrying out their survey work, looked at 245 sites that were closed and certified—their prime function being to find sites we did not know about. We obviously did know about the 245 sites, but in their field investigations they would not always know that we are aware of those sites, so they reported them, therefore those numbers were lumped in.

They also looked at the two sites that were uncertified and operating. They looked at all 724 sites that were closed and uncertified that we knew about. We asked them to look at them to give us more information on them. The difference, therefore, is that they looked at 482 sites—when you do the arithmetic on those numbers I have just given you—that, in effect, we did not know about before. We got new information on 482 sites. The total sites they looked at were 1,449 sites that were closed, plus the two that were unlicensed and operating. So the contractors looked at 1,451 sites all together.

After their survey was complete, we were at the point where we still had 1,523 sites that we knew about operating and certified; we had 746 closed sites that had been certified at one time and which, therefore, we knew about. The two sites that had been open and uncertified were

closed by the time the survey was finished, so we no longer worried about those.

Of the sites closed and uncertified, we now knew about 1,206—in other words, the new ones that the contractors had looked at; which leads us again to the conclusion that they found 482 old sites we never knew about. That gave us a total of sites closed, both certified and uncertified, of 1,952, and that is one of the key numbers. So 1,952 sites were closed by the end of the survey, whether they were certified or not, that we now had information on. Our total inventory of sites, operating and closed, is now 3,475 at the end of that survey.

The figure of 550, as nearly as I could determine, was deduced from information provided at the Canadian Environmental Law Association round table on hazardous waste. If that is not true, it might have come from another place where there were similar numbers. It would appear to be the difference between the 1,451 sites that the survey crews looked at and the other number I gave you of 1,952 sites that are closed, certified or uncertified.

Basically, those are all the numbers that were developed out of that survey carried out in the summer of 1979. Obviously, since that time new sites have been certified and other sites have been closed, and I can give you a good approximation of those if that is necessary. But I think this is the key issue you were inquiring about.

**Mr. Chairman:** Thank you very much. It is now 10:30. Is it the desire of the committee to have Dr. Chant come here on Thursday night? I guess we are not meeting tomorrow. Would we like to have Dr. Chant here on Thursday to discuss waste management?

**Mr. Elston:** Depending on his availability.

**Hon. Mr. Brandt:** My understanding is—and this is only with the preliminary discussion I have had with him—that he will be available on Thursday. If it is the wish of the committee that you have him here, I would like to have him here early. Both critics have raised the question of the Ontario Waste Management Corp. and, in fact, your second question was in connection with liquid industrial waste volumes and some confusion in the numbers there. I think Dr. Chant could address that. If you want him here early on Thursday, we can do that, then deal with the OWMC in its totality and then go from there.

**Mr. Charlton:** If I could just comment on that, Mr. Chairman; I have no objection to switching the order and dealing with Dr. Chant on Thursday since in both of the last sets of estimates during which I have been the critic the OWMC, coming last, has probably not got the attention it should have.

I would like to come to a clear understanding on where we will go the following Tuesday. There are a number of people who would like to be here for some aspects of these estimates, and I would like to be able to give them some estimate of when those particular votes are likely to come up.

**Mr. Chairman:** Do you suppose the questioning of Dr. Chant will take up the whole evening Thursday, two and a half hours?

**Mr. Charlton:** That is going to be entirely up to the committee.

**Mr. Chairman:** I realize that.

**Hon. Mr. Brandt:** I would propose that after that we could proceed in two ways, Mr. Chairman. Either we can go back to the beginning of the estimates, start from the top and take the questions you have raised as they relate to that particular number in the estimates, or we can take the questions in the order in which you have commented on them and then deal with the estimates.

**Mr. Elston:** Perhaps we could see Dr. Chant early on Thursday and then revert back to the review of some of the questions. I think that is probably the easier way of planning for it.

**Mr. Charlton:** For Thursday night we could proceed in that fashion, do Dr. Chant and Ontario Waste Management Corp., and then revert back to your responses to our questions. Then perhaps next Tuesday night we can go back and start proceeding through the votes in order so I can appropriately advise some interested parties when they should reasonably expect those votes to come up.

**Mr. Elston:** Could I have a reading of the time as well? We have used at least an hour—

**Mr. Chairman:** We have used an hour tonight. There are approximately 10½ hours left. This committee stands adjourned until Thursday night.

The committee adjourned at 10:36 p.m.

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Brandt, Hon. A. S., Minister of the Environment (Sarnia PC)  
Charlton, B. A. (Hamilton Mountain NDP)  
Elston, M. J. (Huron-Bruce L)  
Piché, R. L. (Cochrane North PC)  
Watson, A. N. (Chatham-Kent PC)  
Wildman, B. (Algoma NDP)  
Williams, J. R. (Oriole PC)

**From the Ministry of the Environment:**

Gotts, R. M., Director, Waste Management Branch





No. R-4

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# **Hansard**

# **Official Report of Debates**

## **Legislative Assembly of Ontario**

**Standing Committee on Resources Development**  
Estimates, Ministry of the Environment

**Third Session, 32nd Parliament**  
Thursday, October 13, 1983

Speaker: Honourable John M. Turner  
Clerk: Roderick Lewis, QC

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# LEGISLATIVE ASSEMBLY OF ONTARIO

## STANDING COMMITTEE ON RESOURCES DEVELOPMENT

Thursday, October 13, 1983

The committee met at 8:08 p.m. in committee room 2.

### ESTIMATES, MINISTRY OF THE ENVIRONMENT

(continued)

**The Vice-Chairman:** We will call the meeting to order. There are just a couple of housekeeping items before we get down to the main business of the evening.

First, for the benefit of the members of the standing committee on resources development who were with us during the summer sittings, when we had a quiet period discussing workers' compensation, the member for Kitchener-Wilmot (Mr. Sweeney) was to have been with us, and the committee at that time had sent some good wishes to him when he suffered his heart attack. The chairman wished me this evening to read into the record the note of appreciation that was received from him, dated September 28:

"Dear Bill:

"It was a delightful surprise to receive the get-well card and the gift certificate for books from my colleagues on the resources development committee. As chairman, you will please convey to them on my behalf my appreciation and thanks for such thoughtfulness. Given the extra time on my hands, the book certificate is particularly welcome and will be well used.

"My best wishes for a successful new session, and I expect to be back with you in November. Sincerely, John."

Is there any more recent news on his condition?

**Mr. Elston:** That is about it, I think. The date is still mid-November some time, I understand.

**The Vice-Chairman:** I am glad to hear it.

The other item of business is that at the last session of the committee the member for Huron-Bruce (Mr. Elston) requested a summary sheet to summarize the waste disposal site identification study phase one site inventory. That summary has been developed and will now be distributed to the members of the committee. Would the clerk see that members get this information?

It was decided at the end of our last session that, because we have had the privilege of

having Dr. Chant with us as the spokesman for the Ontario Waste Management Corp. at the tail end of our hearings on the past few occasions, sufficient time had not been allowed to address this extremely important issue in the estimates; so it was decided, as members will recall, that we would bring in Dr. Chant early in the proceedings in time to ensure that we had ample opportunity to bring the members of the committee up to date and to deal with questions that would be directed to him by the members of the committee.

It is with this purpose in mind that we welcome you back, Dr. Chant, and this evening, I can assure you, we will allow you ample time to give us the details of what is happening in the corporation, as it will be of great interest to the members.

I think it was the member for Huron-Bruce who had particularly wanted to open up the discussions with Dr. Chant and discuss the operations of the waste management corporation.

**Mr. Elston:** Mr. Chairman, it probably would be fair if we had a brief statement to get us updated rather than my starting right off. I think that probably would be the best for all of us.

**Hon. Mr. Brandt:** If I may interject, Mr. Chairman, that is what I had in mind when I extended the invitation on behalf of the committee for Dr. Chant to appear before us. I thought, with your approval, Dr. Chant, that you could perhaps give us a brief overview. I do not think there were any specific questions in regard to the OWMC other than a question in regard to the volume of liquid waste that had been identified and perhaps a couple of others you might want to touch on in questions later on. But it might be better if we had an overview, and then we could take it from there.

**The Vice-Chairman:** That makes good sense.

On vote 2102, environmental planning program; item 4, waste management:

**Dr. Chant:** Mr. Chairman, I do have an introductory statement which I hope will not be too lengthy. Of course, if I do not cover all the points that your members are interested in, then I will be delighted to engage in conversation and discussion and answer questions.

I would first like to thank you and members of this committee for providing me with this additional opportunity to bring you up to date on the work of the Ontario Waste Management Corp. in the context of the 1983-84 spending estimates for the corporation. With your permission, I would like to present a brief overview of our activities, commenting specifically on the present status of the site selection program. I would then be pleased, as I indicated, to answer any questions that members might have.

As members of the committee are aware, the spending estimates for the corporation this year, 1983-84, are \$5.7 million, which represents a slight increase over the \$5.3 million we actually spent in the preceding fiscal year. As of the end of September 1983 we had spent approximately \$3 million and, based on our present forecast for the remainder of this year, there may be a need for an additional \$2.5 million over and above the \$5.7-million budget estimate as supplementary pressure-point funding based on our needs in the site selection program in particular.

This would bring our spending in the current year to a total of \$8.2 million, if we were successful in receiving that additional \$2.5 million as pressure-point budgeting. I will be pleased to go into any details that I can with these statistics in our discussion this evening.

Turning now to the site selection program, I would like to bring members up to date on its present status and the timetable over the next year in particular. I expect this is of special interest to you.

As you will recall, we began this process following the rejection of the South Cayuga site in November 1981, less than two years ago. At that time we had virtually no planning staff in place. In fact, we had four professional staff in addition to myself and no overall plan that would allow us to move the site selection process from virtually all of Ontario—and that is the area that opened up to us after the rejection of South Cayuga—down to specific sites as soon as possible.

Since then, we have moved through three critical stages of a facilities development plan and will be identifying specific sites for detailed analysis within the next few months.

The first stage was completed in September 1982, 10 months after the South Cayuga decision, when we released the results of 11 studies on key environmental planning and engineering issues and our review of the hydrogeology of southern Ontario.

The second stage ended in January 1983, just three months after that first stage, when we began to narrow the search process down from all of southern Ontario to the Golden Horseshoe, based on estimates that 70 per cent of Ontario's industrial waste is produced in and around the Golden Horseshoe area.

The third stage occurred last May, again only three months later, when we narrowed the process down further to candidate areas scattered throughout the Golden Horseshoe, where we are at present concentrating our work.

During this process we also were involved in recruiting professional staff in the key areas of site selection planning, corporate planning, the development of the proposal that eventually has to go to the hearing panel, finance and administration, design engineering and communications. At the present time, we have a professional staff of 22, of whom 12 are on contract and are not permanent employees of the corporation.

Our work in the candidate area is now focused on gathering and analysing data for close to 40 site selection factors ranging from such issues as the physical and biological characteristics of each of these candidate areas to the local land use and socioeconomic characteristics, transportation and so on. This has involved more than 50 meetings with planning officials from each of the municipalities involved in these candidate areas, the plotting of all this information on more than 80 overlay maps and the scheduling of workshops with public interest groups throughout the candidate areas to discuss these factors and begin to get some sense of ranking them.

We expect this process will conclude early in the new year with a public report containing a list of candidate sites, specifically by lot and concession. That will probably be in January 1984. I cannot say how long that list of candidate sites will be until the process I have just described is completed, but it will be a manageable handful of candidate sites that will require the further studies I will describe.

I think it is worth mentioning that we still are uncertain whether the incinerator, the physical chemical treatment plant and the engineered landfill can or should all be located on one place or whether they should be dispersed throughout the present candidate areas. Each of those facilities has a different set of criteria to judge the suitability of the potential sites for their location, and we have not yet been in a position to make that decision.

Following the identification of these candidate sites, which we hope will be in January, we will begin analysing site-specific information, when we know what the specific places are, in close consultation with local planning officials and the public, for the purpose of narrowing the list down to what we will then call preferred sites: a selection of candidate sites that will stand the test of the analyses and comparative studies that we will do.

This will take several months to complete, to get from the candidate sites to the preferred sites, and we hope to have the preferred sites identified some time early next summer. These preferred sites will then form the basis of our detailed proposal to the hearing panel.

Some studies that we will be required to conduct on these specific preferred sites may take as long as a calendar year to complete, the atmospheric studies in particular. We all know that the atmosphere is not the same in the spring as it is in the fall, and an annual cycle is argued very strongly for that kind of work. For this reason, we hope to be in a position to present our completed studies on these sites to the hearing panel some time in 1985.

8:20 p.m.

This obviously raises two critical questions that I am sure will be in the forefront of your minds. First, is there not some way that we can accelerate this process and present our proposal sooner to the hearing panel? Second, what should we be doing in the meantime to assist in alleviating the present industrial waste problems that I think are the basis of all our concerns?

On the first point, I am convinced that we are pursuing the right course in our commitment to present proposals to the hearing panel that are the result of a thorough, detailed and open process. I think this is the only route to follow. If we fail and we arrive at the hearing with incomplete studies, we will have set the process back by 10 to 15 years, in my opinion. This would be the judgement from bad experiences elsewhere.

I am equally convinced that the better we do our job and the more thoroughly we prepare our proposal for the hearing panel, the shorter the hearings themselves will be. We hope the net result of putting the time up front will be, in the final analysis, a shorter process to approval and construction than if we rushed at the hearing panel with an incomplete proposal and got sent back to the drawing board.

Further, I think it is worth reminding our-

selves that this time frame compares favourably to the three to five years required, on average, to plan and get approval of a major road construction in this province, a hydro corridor or similar projects. On average, it has taken eight to 10 years to plan and seek approvals for sanitary landfills—colloquially called municipal dumps or garbage dumps—in this province; eight to 10 years to get approval for a simple sanitary landfill.

I submit that in comparison, the Ontario Waste Management Corp. has been moving very rapidly in the 23 months since the South Cayuga decision.

**Mr. Elston:** Sometimes approvals for landfills can be arranged by going to cabinet, overnight almost.

**Dr. Chant:** But do you realize that particular example, if you are thinking of Oxford, had an eight- to 10-year history behind it?

**Hon. Mr. Brandt:** That is your overnight success.

**Mr. Treleaven:** It was not overnight. It was seven months in cabinet.

**Hon. Mr. Brandt:** What is a few months here or there?

**Mr. Treleaven:** Except to the local member.

**The Vice-Chairman:** Ignore the interjections.

**Dr. Chant:** Nevertheless, we are continuing to examine ways in which we can accelerate this process.

First, we think it may be practical to identify issues that the hearing panel can consider in advance of the technical proposals on specific sites and the design of treatment facilities, such as rules of procedure—very complex, not clear because they are not spelled out in the orders in council establishing the hearing panel—and the criteria for the funding of interveners. In this way, the public hearings could commence considerably sooner than 1985. We will be making some specific suggestions to the hearing panel very shortly.

Second, we are examining the possibility of phasing in site and technology proposals to the panel and not waiting until every "t" is crossed and every "i" is dotted, although obviously this will depend on how we resolve the question of a centralized versus a dispersed facility.

Turning to the second question, that of other steps we can take while the search process continues, I would like to touch on three efforts now under way.

First, we are right in the stage now of recruit-

ing a manager of reduction and recycling, who will be responsible for initiating a wide range of reduction and recycling programs that have been identified for us in a recent study completed by the Ontario Research Foundation.

Second, we have launched a major project with Resource Integration Systems Ltd. of Toronto to identify some of the impediments to achieving more waste reduction and recycling. We expect to have results from that project within the next few months.

As many of your members will realize, I am sure, Mr. Chairman, there are impediments, unintentional in many cases, to further recycling. I think the last time I was here I referred the members to the odd fact that the federal tax on recycled oil is higher than the federal tax on virgin oil. Obviously, that is a discouragement to the recycling of oil. I can see no point to that kind of policy. We would like to identify some of these impediments and try to play some part in overcoming them to encourage more recycling.

Third, we are examining ways in which we can provide assistance to the Canadian waste materials exchange program currently managed by the Ontario Research Foundation. This is a program whereby ORF identifies wastes that could be on the market in an attempt to find those who would use them as a resource rather than as something to be destroyed and disposed of. It plays a broker role between those who generate waste and those who can use waste products in their own industrial processes. We would like to become part of that materials exchange program and co-sponsor it with the Ontario Research Foundation.

Finally, we are in the process of scheduling discussions with representatives from industrial, municipal and local authorities and the ministry to seek their advice on specific and practical measures the corporation could undertake in the immediate future.

There are two remaining activities I would like to mention. As some members may know, we are in the process of selecting an engineering consulting firm for the detailed design engineering and construction of the facilities. The selection process has been conducted in full accordance with the industrial development review process administered by the Ministry of Industry and Trade. We will soon be making a selection from a short list of four engineering firms. There were 11 firms on our original list for consideration which were invited to make proposals to us. All were judged to be equally acceptable by the industrial development review

process. Certainly the four finalists are judged to be equally and highly acceptable from the point of view of the IDRP.

At the same time, we have taken an important step in our marketing program designed to refine the present waste quantity information we have available and begin focusing on the potential industrial waste quantities we feel will ultimately come to our facilities for treatment. A survey of 500 industrial firms is being conducted by Canviro Consultants Ltd. of Kitchener, Ontario, which will provide us with more information on the types and quantities of waste we expect to be treating.

If I may digress for a moment, a further important point is that some months ago the Ministry of the Environment and the Ontario Waste Management Corp. jointly established a liaison committee as a forum for discussing issues of common interest and concern to the ministry and the corporation. This liaison committee has been very effective. It seems to be taking off very well under the co-chairmanship of Mr. David Redgrave from the ministry and Mr. B. Mitchell from the corporation.

A little while ago, the liaison committee established a task force of technical specialists to work together on this question of identifying the types and quantities of wastes that are likely to come to OWMC's facilities when they are available. I am sure some of the members of your committee will want to pursue that matter of waste quantity. As the minister has indicated, I would be delighted to answer any questions and engage in further discussions on that.

That concludes my formal opening remarks. I would be delighted to answer any questions or engage in discussion.

**Mr. J. M. Johnson:** Mr. Chairman, I have a couple of questions. The first is on one of the latter remarks you made pertaining to making use of waste. The region of Peel, and I am the representative for the Caledon portion, has proposed a program for a system that would create energy from the waste of Caledon and possibly Brampton. I think you are working in co-operation with Canadian General Electric.

**Dr. Chant:** No, we are not involved in that. That is domestic waste, solid waste, municipal garbage. We watch it with much interest but we are not directly responsible for that area of waste generally.

**Mr. J. M. Johnson:** We will swing into industrial liquid waste. It seemed to me a couple of years ago, about 1981, when we took a trip to

Europe we were talking in terms of 60 million gallons.

**Dr. Chant:** Yes.

**Mr. J. M. Johnson:** How is that figure now? Is it about the same?

**Dr. Chant:** It is the figure used by the ministry. I think that is probably the source of some of the concern and perhaps uncertainty on the part of this committee. If you will let me, I would like to try to give an explanation of where we stand. I have indicated already that I think the corporation and the ministry are working closely and effectively to try to get a better handle on the exact amount that is likely to come to us when we have our facilities.

**8:30 p.m.**

You will recall that a year ago, in September 1982, we published our estimate at that time of 1.5 million tons of liquid waste in the province. You will recall we made estimates—at that time they were almost guesstimates—as to how much was already being adequately treated by the waste generators in plant, by the recyclers and by export to the United States, and how much in our opinion was not being adequately treated. The latter category boiled down to about half of the 1.5 million tons which, in our judgement at that time, was not being adequately treated.

I have to digress to some of the fancy technological aspects of this briefly. One of the facts in this that points to the difficulty I think we are all having in working to come to grips with these quantities is, for example, in that 1.5-million tons estimate we had a year ago there were 150,000 tons of phenol contaminated foundry sand. Of the 1.5 million tons, 10 per cent was phenol contaminated foundry sand. There is a real and honest debate as to whether or not phenol contaminated foundry sand is a liquid industrial hazardous waste, and whether or not it can be treated. Phenols break down by biological action over time and perhaps the best thing is to let them sit and not do anything to them at all. To throw that out would substantially reduce the estimate, even though I think most of us lean towards the idea of feeling it should not be on OWMC's plate.

Remember, we are dealing with waste generated by no fewer than 20,000 industries in this province, an incredibly complex and difficult array of generators to come to grips with. No matter what we do, at any moment there is going to be constant refinement of these estimates of waste generated. The amount of waste being recycled and therefore not requiring treatment

is clearly going up in this province. The economic climate will affect the amount of waste being generated. I think nobody will ever know at any given moment exactly what the waste generated that day will be.

The 60 million gallons referred to by the member with respect to 1981 actually works out to 272,000 tons of liquid waste. That is well within the OWMC initial planning figures for our initial design capacity.

You may recall from when we visited Ebenhausen that it is dealing with about 200,000 to 230,000 tons a year. Yet it is the biggest complex in the world at the moment for liquid waste treatment. The ministry figure of 60 million gallons in our planning estimates is not that different. We are talking about one heck of a large plant.

We have committed ourselves to the modular approach in developing these facilities, particularly the physical chemical treatment facilities, wherein we can always expand by adding additional modules to take care of additional wastes if the demand really requires or justifies that, once we have our clients and business in operation.

I would like to tell you of two very important resolutions our board passed some time ago in this regard, being very conscious of the fact that most of the European facilities we look at with interest were in fact overdesigned. Ebenhausen, which some members of the committee are familiar with, was built 10 years ago, and only in the last few months has it achieved the quantities for which it was built. They overestimated the amount of waste.

The modular approach makes very good sense and our board's resolutions were, first, that we should start small with total flexibility in a modular approach so we can grow as we get a better estimate of the problem through living in the real business world and, second, that we should on the other hand build big enough to make some initial substantial impact on the dimensions of the problem. We should not build something so small it does not make any difference. We should not overbuild and thereby, in my view, seriously misspend public funds.

Among the specialists, the composition of the waste is actually more important than the quantities of the waste. We can handle waste quantities by making better estimates and having this modular approach I described, but the waste composition, the exact nature of the waste, is far more important because that is not what you base your size estimates on, but your selection of treatment technologies for this

waste stream, this kind of waste. You have to select a particular technology for treating it effectively.

There is where you have to make the really important decisions, in my view. It is there that this task force on waste quantities will be concentrating its energy as the corporation works together with the ministry in trying to refine these figures even better than they are today.

That is a very long answer to the member's question about 60 million gallons.

**Mr. J. M. Johnson:** If I may, I would like to just carry on. Dr. Chant, when we were overseas in Denmark, I remember the political people telling us they marched in Denmark demanding that sites be set up. The member for Halimand-Norfolk (Mr. G. I. Miller), who has left now—and this certainly has nothing to do with Mr. Miller—when South Cayuga was picked out, naturally created a controversy. I do not blame Mr. Miller a bit. I would have felt the same. So I do not mean that in a sense of an individual.

They said in Denmark that it took the government to realize they needed the political will and intestinal fortitude to do what was necessary to create a site. That is where we are at and where we have been at for some years and I think we have to make a determination very soon. Whenever we make it, it is going to create problems. If you decide on my riding, I will be the first to complain.

Another point I would like to emphasize is compensation. When people in society are forced to accept a problem that all of society is creating, then all of society should chip in and make sure those people are not only fairly compensated but more than fairly compensated for their inconvenience and the problems it creates. It is not only a matter of buying their land; if you expropriate it or you take it away in any manner you should not just pay the dollar value, but give them something over and above that amount.

I have a theory that if we would do this with Hydro in this situation and many others, if people were given a decent dollar value we would save spending it in courts and on lawyers and on all the hearings we have.

**Dr. Chant:** May I comment, Mr. Chairman? There are two points raised by the member. One is that in the meetings that Mr. Scott, our director of communications, and I have had with well over 5,000 people in the last 18 months, it is true to say that not one single

person has challenged the need for Ontario to have these treatment facilities. That is the kind of counterpart, the kinds of positive pressures that you and I experienced in Denmark and in Bavaria.

Having said that, nobody wants it near him, and we all understand that. As I have said many times, we are not engaged in a popularity contest. The job, as I understand what the government has asked me to do, is to find a safe, suitable site for this. That does not mean going around taking votes as to who wants this and who does not, because I think we would all be disappointed at the outcome of a process like that, and I do not say that critically.

**Mr. Conway:** We are in a popularity contest. That is the problem.

**Dr. Chant:** Yes, but I am not you and you are not me, if I may put it that way.

With regard to compensation, I have said many times—and I had a conversation with the minister about this last week—that I personally accept fully every word you said about compensation. I accept the principle of compensation. What that means, when we become site specific and know who our neighbours might be and who the people whose land we might want to occupy are, will have to be negotiated.

I am not interested in somebody who comes in from 10 miles away, several concessions over, and says, "My land has been devalued by you guys here." I am not very interested in that. But for our neighbours, I think there is a real problem there. They have to be treated fairly and equitably and I am prepared to do that.

I would remind the committee that at South Cayuga, even though we did not go there—and I know Mr. Miller played a part in this situation—there were expropriation agreements arranged with the 28 remaining land owners on the proposed site in South Cayuga. They would have paid them, if memory serves, 125 per cent of the 1974 land value, and land values in that area had been going down since 1974. That was the peak land value. Over a period of about two and a half months in that summer of 1981, all 28 land owners independently agreed to sign for the 125 per cent of 1974 land value. Obviously they were satisfied and they felt they had been fairly treated. I want to treat people fairly too, and it is a very good point you have raised.

8:40 p.m.

**Mr. J. M. Johnson:** You mention those who are several miles away and whether they would be affected or not. I think when you do this

intensive study we should take a look at how it affects distant people too. Sometimes you feel that if they are not neighbours it does not affect them, but it sometimes does.

**Dr. Chant:** I guess I put the point a little crudely. I am interested in fair compensation for anybody who can demonstrate a negative effect on the value of his real property.

**Mr. Charlton:** While we are on the first part of this topic, which is the opposition to locating any of your facilities next door, I know you are aware of that opposition just because you have been moving around. Already that opposition has started to manifest itself, very prematurely, mind you, with local councils and regional councils debating and passing very global motions about "not in Niagara region," and there have been politicians in Hamilton taking the same kinds of positions.

I understand your position in all of this. You put it very well that your job is to find the best and safest site. What I think we have to somehow get at—and it may be more the ministry's role than yours, or maybe a combination—is a very serious coming together on the issue. I have written a couple of columns on it responding to some politicians in Hamilton who have taken the view that they do not want it regardless, yet everybody feels we have to have these facilities somewhere.

It seems to me that we have to find some way of getting around some of the very emotional negative approaches that are occurring and will continue to occur. I am not exactly sure how to get at that, but I have a couple of suggestions you might think about in conjunction with the ministry during the next stages of the whole development of your final proposals. That would be to start changing your public relations campaign, if you want to call it that, out of the public meeting forum—although I think you will still need to have some public meetings, especially when you start naming specific sites. For example, you will have to start taking politicians, local, provincial and perhaps even any interested federal ones, out to sites that you are looking at and showing them how you are evaluating the 40 factors; in other words, talking to them in specific terms before the specific recommendations are ultimately made.

I know a couple of the local politicians in Hamilton jumped the gun—they were not actually Hamilton politicians but Hamilton-Wentworth politicians—in terms of your last set of announcements. When we sat down and talked to them

personally, we got around some of the problems they had. It seems to me there should be some more specific targeting of your PR campaign in the next stages.

**Dr. Chant:** Our public consultation campaign, you mean?

**Mr. Charlton:** Yes.

**Dr. Chant:** A point well taken. There is no doubt about it, we do plan to do that. At this time, before we can be site specific—we do not know the candidate sites ourselves yet—we simply are saying we will meet with anybody who invites us. I am glad to say that all the township councils and regional councils in the candidate areas have so invited us. Our reception has been varied, as I am sure Mr. Charlton knows, sometimes very hostile, sometimes quite supportive. But when we know the sites we are speaking about, obviously politicians at all levels—and, in fact, everybody—has to be shown the site, shown what we have in mind and shown how it will operate. We must give them as much information as they possibly can have.

As I am sure you all know, I am not naive enough to believe we can overcome all opposition. That will not happen. No matter where we are, there will be people very strongly opposed to our proposal. I think the best we can do now is what we are trying to do, and that is be as open as possible—no surprises for anybody. We must share the data gathered by our consultants and put them into some kind of shape with respect to site selection, technology selection and options, facilities development programs and so on so that we have no secrets.

On the bright side, the optimistic side, I am glad to say that in more recent public meetings from late last spring on increasingly, when people are expressing their opposition, I say to them, "Supposing the best site in our collective judgement that we can find from the point of view of all these natural safeguards and so on is in your area, could we, in the interests of the people of Ontario, go to a second-best site simply so that we are not in your locality?"

I do not suggest this is a ground swell of opinion by any means yet, but increasingly people reply: "Gee, no, you should not choose a second-best site. That is not what this is all about. But you bloody well better prove to me, if you come here, that the best site is in my area."

I think that is absolutely fair and square and a reasonable demand that people are making. It is changing just a little bit from what you might call the blind, emotional "not in my backyard"

response to understanding the issue just a little better. That does not mean to say that people are going to throw their arms around me and hug me when I suggest we are going to be in a certain area. I do not think that is going to happen.

**Mr. Charlton:** You are in an unenviable position. For example, if you were to decide to build your incinerator in the industrial core in Hamilton right in the middle of the steel mills, it is unlikely you would receive very much opposition. In fact, it is likely it would go unnoticed. But because of the approach you have taken to try to find the absolute best possible location, it is likely you are going to run into the problems that you could avoid if you were not doing the job you are doing. That, I suppose, is another thing you have to lead people to understand.

**Dr. Chant:** Yes, I think we do. There is no question about that.

**The Vice-Chairman:** Dr. Chant, I understand Tricil opened up a liquid industrial waste treatment facility in the Sarnia area in the past week or two.

**Hon. Mr. Brandt:** That is my riding.

**Dr. Chant:** Last Friday, as a matter of fact.

**The Vice-Chairman:** Maybe the minister can tell us about it.

**Dr. Chant:** He was there and I was there.

**The Vice-Chairman:** What is the nature of that facility as contrasted to what you envisage in your operation?

**Dr. Chant:** There are two major differences, Mr. Chairman. One is that Tricil in Corunna, just outside Sarnia, has no physical chemical treatment facility. What it has is a landfill in very deep clay—some of the deepest clay in Ontario, as a matter of fact—and it has an incinerator facility.

The second difference is that its incinerator is a fixed, fairly low temperature incinerator that very adequately takes care of simple organic waste. What we think we require is a very high-temperature, 2,000-degrees-plus centigrade, rotary kiln. A rotary kiln is quite a different animal from the stationary fixed incinerator that Tricil has. So Tricil simply cannot handle many of the complex organic materials that are produced as waste in Ontario. It can handle some very well indeed, but there is a whole array it cannot handle and for which we have no other options, no other facilities in Ontario.

It is my opinion—and I will not presume to speak for the minister, as he probably will want

to comment himself—that there is an opportunity for good co-operation and a fitting together of the high-technology, specialized treatment facilities we have been asked to build that will deal with very complex, different and sometimes very hazardous waste and the workman-like job that Tricil does very well with another spectrum of wastes quite different from those that challenge us.

8:50 p.m.

**The Vice-Chairman:** Are you telling us then that the Tricil facility is the conventional type of facility that would be in place in other jurisdictions at this time and that it has not gone beyond the technology we are looking at?

**Dr. Chant:** Yes. There certainly are more facilities around the world, or in North America if you will, like Tricil than there are these high-tech, physical chemical and high-temperature rotary kiln facilities we have seen in Europe. They are almost totally absent from North America and there is none at all in Canada.

**The Vice-Chairman:** I see Mr. Elston with his hand up. Just before you ask a question, can I pursue this one further step?

You indicate that you assume the type of facility you are going to develop will be a world leader, a first, and will have much more sophisticated technology built into it than anything else. In your presentation I heard you mention that in this regard you have been in a tendering process, if I can use that term, of selecting the professional people necessary to design this type of facility, people who have the qualifications and who have to meet certain criteria laid down by the government.

Can you expand on that a bit so that I have an understanding of, and I think the other members would appreciate knowing, where we are at in that process and what guidelines have been set down? I guess a factor of some importance is Canadian content as far as the people involved are concerned.

**Dr. Chant:** This is why I mentioned the industrial development review process that the Ministry of Industry and Trade administers. Its purpose is to look at big projects in Ontario for their Canadian content. As I indicated, we had 11 firms as candidates for this appointment and all 11 were judged to qualify handsomely as Canadian content firms, so that gave us a very clean slate to work with. We have narrowed them down to four and are narrowing down our selection purely on the basis, given that clearance, of their demonstrated skills, experience,

the teams they are willing to put together and that kind of thing.

The physical chemical plant, although there is not one of this complexity in Canada, is not actually all that difficult to design. There are parts of what we have in mind in many places. Many industries run their own physical chemical plant for their own waste. That is fairly straightforward.

The high-temperature rotary kiln, though, is a very sophisticated and demanding engineering job. Although we will appoint an engineering firm that has the Canadian content and has a base in Toronto undoubtedly, it will probably have to draw on European expertise for the design of the rotary kiln. The design is the crucial thing. There is no reason, once the design is done satisfactorily, why the rotary kiln cannot be built in Canada, using Canadian steel, Canadian engineers and Canadian labour. That certainly is our objective.

**The Vice-Chairman:** I suppose that once this facility is in place—this is my last question, Mr. Elston, and I will turn it over to you—

**Mr. Nixon:** We should all go over and look at that rotary kiln before we import the design.

**The Vice-Chairman:** A very thoughtful comment by the member.

**Mr. Conway:** The member for Brant-Oxford-Norfolk has a special duty to do that.

**Mr. Nixon:** I thought I would suggest it before somebody else did.

**Mr. Conway:** Half this gang has been there and back.

**The Vice-Chairman:** This being a world-class facility, or proposed as such, I presume the spinoff in professional people who would design would be rather substantial, as a contribution to the local economy and in further developments beyond this initial project.

**Dr. Chant:** Yes. We are keenly interested in this. Mind you, that is the middle-to-long-range objective since we do not even have anything built yet.

There are three agencies within the Ontario government that I think are terribly important in this. The Ontario International Corp. is a schedule 1 crown corporation. Mr. Jack Young is the head of that. Its job is to market Ontario technical expertise to the rest of the world. I think it does a good job. The IDEA Corp., chaired by Ian Macdonald, is keenly interested in the opportunities here as well; and the

Ontario Energy Corp., chaired by Malcolm Rowan, is also interested in these opportunities.

To oversimplify a little bit, I think we have two potential opportunities here if we pull this off successfully. One is to market the expertise. Lots of countries around the world want to have these kinds of facilities now. If we have an Ontario engineering fraternity that has actually done it as a first in the world, then it is going to be able to move around the world and do it for a lot of people, and that is good for us.

Second, I think we will over time develop new technology that will itself be exportable as hardware to other parts of the world where they also have this problem and are beginning to recognize that they have the problem.

I do not want to wave glorious flags about what we are going to do in the future, but I think all our decisions have to be coloured by asking ourselves is this consistent with the long-term opportunity we think we have to export something from Ontario, either people talents or hardware, to the mutual benefit of the people in this province.

**The Vice-Chairman:** I am glad you are looking that far down the road.

**Mr. Elston:** Mr. Chairman, I have a couple of questions. I am pleased to hear Dr. Chant indicate that they are on schedule and heading out. I do have to wonder a little bit, though, if there is room in your setup for perhaps leasing some of the technology that is available to us here. The Chrysler one was mentioned. I do know that on the site at Dow Chemical, also in the minister's riding, they have facilities that are used for treating and dealing with waste streams as well. Is that a serious consideration with you to deal with certain sources of hazardous waste?

**Dr. Chant:** Yes, it is very much so, Mr. Chairman. There are some facilities, as the member has indicated, in plants in industry, usually dedicated to a fairly narrow array of waste—but that really does not matter; it does not affect your question—which are frankly underused. They are either overbuilt or they have been overtaken by a stagnating economy and not so much waste was generated.

We do have some discussions under way as to possibilities in that respect. To be frank, one of the impediments to going too far with that too quickly is this. Let us say we formed a partnership with an industry that had available an underused treatment facility of some kind or another. It would probably be necessary for us to go jointly to the hearing process. I do not say

that with regret; you know I support the hearing process and, in fact, I was a very strong advocate of it. But it is an impediment in the eyes of some industries to put themselves through what they see as a rather gruelling process simply to form a partnership with us.

We have not gone far enough, really, to test how strong that feeling might be, but it is something we and our legal staff are continuously asking ourselves about as we begin to explore these possibilities. My impulse is that if we had to take such an arrangement to the hearing process, then clearly we would have to be the proponents of it, and the success of the mutual undertaking would depend on our success in getting approval from the hearing process and ultimately from cabinet.

**Mr. Elston:** If the site you choose is a fragmented site rather than one that includes all the facilities. Will there be an individual hearing for each one of those sites as opposed to one hearing to determine your overall plan? I am thinking particularly of the problems we had with the Hydro studies—the initial choice by Hydro of the M1 site and with the board planning on M3 as the site, and now the reaction that is going on there. I do not think that has been very productive for anyone. I guess we would like to know that we have our ground rules laid out for the public on the hearing process long before the hearing process overtakes it.

**Dr. Chant:** I think there are two important things there. One, I did mention that to get the hearing panel, which, as members all know, has already been appointed by cabinet, actively engaged in the affairs of the corporation and the development of our proposal, we think it would be useful to go quite soon to begin to clarify the rules of procedure. Unlike most hearing processes in this province, there are really only two acts that guide this one in addition to the order in council: the Public Inquiries Act, which simply assures principles of natural justice, and that is fine; and the Statutory Powers Procedure Act, which really covers almost any hearing that goes on.

The hearing panel is going to define for itself, in consultation with the public and with us, the procedures that are going to be used. That is fairly critical and fairly complicated, and that kind of issue will be an integral part of making that decision by the hearing panel.

9 p.m.

Second, speaking from the corporation's point of view, let us suppose that we propose each of our three major facilities to be in a different location. Our current thinking is that we would go forward to the hearing panel with that as a package; that is our proposal for these facilities. It just happens that they are proposed on three different sites, but they have to be looked at as a totality. One cannot make a decision about a landfill without making a decision at the same time about an incinerator and a physical-chemical plant.

I think that is consistent with what you are asking me, but that is my position anyhow.

**Mr. Elston:** If you perchance won on two out of the three sites, does that make the package good? How do you determine a win or a loss once you go to those three separate sites?

**Dr. Chant:** Let us say that the sites for the physical-chemical plant and the landfill were approved and the incinerator was turned down—and I remind every member of the committee that the hearing panel does not approve; it makes a recommendation to cabinet and cabinet has the final approval. I would immediately embark on a search for a new site for an incinerator that we could go forward with to complete the package.

**Mr. Elston:** In your estimation, each individual component, whether it is on the same site or not, can be determined by the board individually or separately from each other.

**Dr. Chant:** Yes, but I think they should look at it as a package. These do not stand alone completely, even though they are on different locations. Some of the products of incineration would have to go to the physical-chemical plant before they go to the landfill. I think it is unlikely that the reverse would be true, but the point is that there is movement between these facilities.

I have always taken this position: let us say, to be a little ridiculous, we went forward, simply and solely to get the process started, with the landfill site proposal; if I were a member of the hearing panel, the first question I would ask, long before I asked about the hydrogeology, the engineering and the leachate collection system, is what are you going to put in it?

Until you have looked at the physical-chemical plant and the incinerator, you cannot really demonstrate what you are going to put in it. So they really are tied together, even though the hearing panel, I think, could say: "This site is okay for that and that is okay for that. But we

are sorry, we turned this one down; you will have to have another search for an incinerator" or whatever it was. The totality approach, I think, is the only one we can follow.

**Mr. Elston:** Right now we are basically at the point where we do not know exactly what we are going to be putting into those landfill sites ourselves yet.

**Dr. Chant:** We know generically, if I can put it that way. We have 14 University of California at Davis classification waste streams in Ontario. That does not tell you the whole story because each stream is composed of variations on a theme, as it were. But we can tell you generically what the products of treatment will be, stream by stream, what form it will take, how soluble it is likely to be and whether it will require solidification before deposition in the landfill. We are very close to having a lot of that kind of information.

But, again, I do not see how the hearing panel can deal with the elements of our proposal in a complete vacuum. I think they have to have that sense of totality and then get down to work and deal with each.

**Mr. Elston:** So really a good number of pieces of planning will have to fall together very quickly as you get to the site selection in, I suppose, the summer of 1984. That is when you will have your hands full because you are going to have to find out whether you are going to be able to make some kind of operating arrangements with private corporations. You are going to have to find out volumes, quantities and types, and then you are going to have to find out exactly what methods you are going to be dealing with in treating this material. All of these basically are unknown to a certain extent right now.

**Dr. Chant:** I would exempt the other opportunities we have from the central physical-chemical, incinerator and landfill. If we entered into an arrangement with an industry that had a treatment capacity that was not fully used, I think the hearing panel could well deal with that in isolation and probably should.

I also mentioned in my introductory remarks the possibility of getting the hearing process involved in technology and site selection before we could cross all the t's and dot all the i's. If we did that and we took the landfill first, for the sake of argument, and they said, "We can't judge until you tell us what you are going to put in," my reply would be, "We are not asking you to judge. We are going through the informa-

tional aspects. We are challenging our technological work, its competence, its thoroughness and so on, and before we ask for any decision on a landfill you will see all the other bits of the elephant as well." So by the time the hearing panel is asked for a decision, they will have seen the whole picture.

On the assumption that these hearings will be quite lengthy: because of the complexity of the proposal, its incredible detail and its high level of technological data, it is going to take the hearing panel a long time, in my opinion, to work their way through that, with their own expert opinions, with the public participation and presumably with the public's expert views on what we have done, before they can come to a decision point.

I think the strategy question we have to resolve fairly soon is, do we want to have almost the whole package before we go, or can we begin to get everybody's feet wet on technological detail and then move through the whole proposal when it is ready?

**Mr. Elston:** If I were a person in the area where the site was to be placed, or at least to be considered, I would be somewhat concerned about mounting some kind of opposition to a program that had not been put together so that I could see it in its totality before I decided whether I was going to be spending \$25,000, \$30,000, \$40,000, \$50,000, \$150,000 or \$200,000 to go along with finding out whether you have done your work.

How are you going to allow the public to participate in a meaningful fashion if you start moving ahead with your proposals through the board, which then judges your technical competence, if I do not even have a clue about what your total package is going to be?

**Dr. Chant:** That is a dilemma we faced when we decided to have an open process. We are frequently asked, as we move out to town councils and public meetings, "Why can you not tell us everything about the air emission from the incinerator in every detail?" My reply is that they can either work on with us and be party to our information as we develop it from ground base zero to the full detail, in an open process, or we can take the other approach and be close-mouthed and say, "We are not going to tell you anything until we have every conceivable answer."

We have gone the open route and we run that criticism; people will say, "You cannot tell us all the detail." I say: "Of course we cannot. We are

sharing whatever we have today with you, just to get your views on it."

I do not think there is any middle ground; I think you are either open or you are closed. I do not think you can be half-closed, because that suggests all kinds of selective release of information and everything else.

Having said that, though, by the time we shall be identifying candidate sites in January next, we shall have a lot of general information on emissions, effluents, amounts, transportation modes and this kind of thing. It would not be in a stage to withstand technical challenge by the hearing panel and its experts, but I think it will be adequate for general education that the public, quite rightly, is keen to get.

So I think they will have a lot of advance warning as to the direction of our thinking, what they should do to prepare themselves for opposing us, if that is what they want to do, or for simply rigorously challenging the work we have done when it finally gets to the hearing process. They will know what kinds of data we are putting together and get some feel for its quality, its completeness and its validity.

**Mr. Elston:** I suppose we are getting to a stage where by the time we get into the hearing process, which if I am not mistaken will be some time in 1985, you will be looking for a decision—

**Dr. Chant:** That would be the highly technical aspects of it, realizing, as I said, that we might get in earlier on procedural matters on funding criteria for public intervention and so on.

**Mr. Elston:** Okay. Is it reasonable for us to assume that the people in the finally selected area are going to have a very difficult job in preparing to meet the challenge of the selection made by the OWMC, in terms of the technology you have applied, over a period of 18 or 19 months now but presumably by that time four years?

**Dr. Chant:** Yes; I think the answer in all fairness is yes, they will have a difficult time. All I can say is that we will try to make it as easy as we can. I think we have three major ways of making it as easy as we can. One is to be open, so that there are no surprises to them, with very short deadlines.

Second, I am sure the hearing panel will allow a considerable time after we lodge a proposal or a part of a proposal before the hearings actually begin. The hearing panel has indicated its sensitivity to the need to give the public and

anybody else a lot of time to analyse what we have done, think about it and prepare a position.

**9:10 p.m.**

Third is this provision of the funding of groups that want to hire their own experts to second-guess our experts. That is fine; I think that is part of the process. They should be thinking about that. I am happy to say that some of the groups that are forming are thinking in a positive way—not necessarily positive in the sense of supporting us, but creative, if I can put it that way—about how to put together their teams to analyse this incredibly technical data that they anticipate, quite rightly, we will be coming forward with. That is the kind of forethought I would like to see.

Some of the briefs we are getting from groups, from townships and from town councils are excellent, first-rate at this stage. If those people go on in that way, I think they will meet the question that you raise in a far better way than I can meet it.

**Mr. Elston:** I guess that brings us to a second part of the process; that is, after having dealt with it, as you mentioned a little earlier, the types of emissions probably would not be known at least until about January 1984 and you will have a better feel for that sort of thing.

**Dr. Chant:** Actually, we are beginning now, in the public meetings that Michael Scott is putting together, to begin to come forward with the information we have. It is largely from Europe, but none the less good information and I think informative information. That process is starting right now.

**Mr. Elston:** Are you going to be setting your own guidelines for the types of emissions that you will be dealing with, or are you going to be meeting the standards that are set out by the ministry? Or are you going to be trying for something better than that? I guess that is really what I am saying.

**Dr. Chant:** We are not policemen, as you know. We do not define the regulations; we do not put them in place and we do not enforce them. We will be properly policed by the ministry, according to the regulations of the day. I like to think that we will take whatever the regulations of the day are and do better, but that is an abstract ideal, if you wish, at the moment.

**Mr. Elston:** Are you designing to your regulations right now, basically?

**Dr. Chant:** No. What we are designing to at the moment is the world's leading, proven

technology; the best that can be done that has been proven in trial and experience anywhere in the world. That has always been our commitment. I am sure you know and will be discussing with the Minister of the Environment the blueprint operation, which is designed to change and improve regulations. I hope the regulations of the day will live up to the world's leading technology, but we will always be trying to do our best and not just trying to get over an administrative regulation of some kind.

**Mr. Elston:** Maybe we should come back to the liaison committee a little bit. My interest is still with the activities of the Ministry of the Environment, of course, as they relate to the whole problem; because ultimately, it seems to me, the Ministry of the Environment has a role to play in this, even though you have the go-ahead from the Premier's office.

Where do we find the involvement of the ministry, as far as you are concerned, in this whole process?

**Dr. Chant:** I think in three basic ways. I am sure the minister may want to comment on this, but my view of the world is that I report to the government and the Legislature through the Minister of the Environment.

**Mr. Elston:** That is how you get your money.

**Dr. Chant:** It is much more than that. That brings me to my second point. There is considerable technological knowledge and strength in the ministry in these areas and we would be crazy if we did not take advantage of that technological information and professional skill. That is one of the reasons for the liaison committee: to give us an avenue to find out what is there and how we can use it, the people and what they know, what their experience is and how we can use that to further our objectives.

The third reason, of course, is the regulatory one. Our view has been, and I have expressed it frequently, that the wastes that require our treatment in this province will not come to our facilities unless we are reinforced by the regulations of the day. I do not sense any disagreement on the part of the ministry with respect to that principle.

What that means is, as our abilities to treat waste satisfactorily constantly improve with time, the regulations have to evolve and move in step with those developments, to reinforce the movement of the waste for proper treatment.

**Mr. Elston:** Maybe we will reverse this or change the shoes, if we might. Are you satisfied with your role in the movement process?

**Dr. Chant:** Yes, I am. We are on the threshold—and I do not think the minister or the deputy know this yet; they know it is coming, but they did not know it was coming so soon—

**Mr. Elston:** This is a little surprise.

**Dr. Chant:** The only one tonight. We are on the threshold of providing the ministry with our response to the blueprint documents. We have not confined ourselves completely, in our part in that, to liquid industrial toxic waste. We have been a little more wide-ranging than that. I think it is a very thoughtful document. I hope the ministry finds it interesting and useful when it arrives.

**Hon. Mr. Brandt:** Yours or ours?

**Dr. Chant:** Both, given the agreement—again, the minister may want to comment on that—or what I see as the agreement in principle that the satisfactory treatment of toxic waste has to be consistent with, compatible with and work with the regulations of the day that constantly reflect the state of the art, the world's best proven technology.

I sense no difference of opinion on that. I think the liaison committee is one of the most effective ways we can ensure that relationship and interplay and exchange continues on an ongoing basis. That is a permanent committee. That is what it is for.

**Mr. Charlton:** I just wish we could get the minister to think that way about acid emissions.

**Hon. Mr. Brandt:** We could spend some time, if not this evening at another point, talking about acid emissions.

**Mr. Nixon:** Are you dragging your feet on that?

**Hon. Mr. Brandt:** Not at all. As a matter of fact, we are probably taking the lead on a continental basis with respect to that very complex problem.

I want to perhaps embellish a little bit what Dr. Chant was talking about with respect to the relationship between the ministry and the Ontario Waste Management Corp. I think there is evolving on both sides a greater appreciation of our respective roles.

Quite obviously, the ministry does not run the OWMC. They have a separate board, which is appointed to give direction to Dr. Chant. I think it is imperative for the credibility of the OWMC, and more particularly as they go through the very complex and emotionally charged site selection process, that the OWMC not only be

seen to be, but also actually be, apart from government in every respect.

Mr. Nixon, I know you would agree with that because of the interest in various parts of the geography of your riding that you have expressed some concern about from time to time.

I think it is imperative from my standpoint to state that although Dr. Chant and I do talk frequently, as would be expected, on matters relating to the ministry business and the OWMC, I in no way attempt to suggest a direction in terms—and please correct me if I am saying something you do not agree with here, Dr. Chant—

**Mr. Elston:** You are not overmanaging.

**Hon. Mr. Brandt:** I at no time attempt to suggest sites or in any way try to influence the selection process. I think that is a very important part of the OWMC mandate that has to be entirely and completely nonpolitical, nonpartisan and totally separate. As Dr. Chant has put it so aptly earlier in his comments, it has to be the best of all possible sites and one that is supportable and provable in every respect.

We have the liaison committee, which does touch base with respect to certain technical aspects of the operation. It is at a staff level. I do not attend those meetings. I think that is working well. As an example, we have not really got into the budgetary process in any depth in our conversation today, but with respect to the budget, Dr. Chant may wish to speak in terms of how we handle that aspect of it.

There is not only an initial allocation, which is the operational funding that is required by the OWMC during the current year, but also a recognition that there could be a need, depending on the speed with which the OWMC proceeds in its responsibilities, for some additional budget requirements. If that kind of demand comes from the OWMC, although it is not in the budget and you will not find it there in terms of the appropriation of dollars, there is an understanding between us that those moneys can be made available through further submission on my part to the appropriate parties to make those moneys available. We have that kind of understanding and that kind of working relationship.

It is a matter that has come up in conversation between Dr. Chant and myself on numerous occasions. I believe we have a solid understanding of what our respective roles happen to be. If there are specific questions with respect to that separation of responsibilities and the operation, I will be happy to answer them.

The OWMC is a crown corporation; it is

totally at arm's length, totally separate from the ministry, but there is that umbilical cord which deals with the funding aspect of it. At some point it is anticipated, and in fact that is the direction of the OWMC, to cut that umbilical cord and operate as a free-standing corporation in every sense of the word.

9:20 p.m.

**Mr. Nixon:** You do appoint the members of the corporation.

**Hon. Mr. Brandt:** We appoint the board members, yes.

**Mr. Nixon:** It is pretty hard to cut that cord, is it not?

**Hon. Mr. Brandt:** Not at all. The corporation, at the point when it is no longer dependent upon funding from the government of Ontario for its initial seed funding, could well be operated in an entirely different way. At this time there is that kind of safety valve, quite obviously.

**Mr. Nixon:** They cannot reappoint themselves, though, no matter where they get the money.

**Hon. Mr. Brandt:** What is the term of the present board, Dr. Chant?

**Dr. Chant:** Three years.

**Hon. Mr. Brandt:** Three years. I would be happy to give you a list of the people who are on the board.

**Mr. Nixon:** They are beyond question. I just want to warn you that there are other things besides money that really are part of the umbilical cord. All the members of the board owe their existence as members of the board to the goodwill of the Lieutenant Governor in Council, surely.

**Mr. Hennessy:** What would you do? existence as members of the board to the goodwill of the Lieutenant Governor in Council, surely.

**Mr. Hennessy:** What would you do?

**Mr. Nixon:** I am not protesting that. The minister is protesting the independence of the board, and they exist only because of his and his masters' continued goodwill.

**Hon. Mr. Brandt:** I am not protesting the independence of the board at all. With due respect, I was only explaining—

**Mr. Nixon:** All right. But do not give me too much of a line that they do not owe their existence to you.

**Hon. Mr. Brandt:** I was explaining simply that to the extent that it is humanly possible there is a clear, distinct and, I think, very understandable

separation of powers and responsibilities between the ministry and between the OWMC. I want to perhaps enlarge upon that separation, which is there to the extent that it can be there at this particular point.

**Mr. Nixon:** All right.

**Hon. Mr. Brandt:** It would bother me at some future time, I have to tell you, if after Dr. Chant goes through this very gruelling, onerous and demanding process of attempting to find the most perfect site for this facility, the question then became, "Whose riding is it in?" I know that is going to come up in all probability.

The reality is that I know that is not the process they are going through at the moment. They are not looking at whose riding or whose geography it is.

**Mr. Nixon:** They never will, surely.

**Hon. Mr. Brandt:** No. That is absolutely correct.

**Dr. Chant:** I will immediately ban, Mr. Chairman, any riding map being anywhere where I can see it. I do not want to know at this stage.

**Mr. Nixon:** However, there is an orange spot in the region of Peel—

**Dr. Chant:** An orange spot?

**Mr. McGuigan:** On a point of information, Mr. Chairman: Perhaps the new minister is not aware—otherwise he would not have offered this explanation—that about a year and a half ago, I believe, Dr. Chant said publicly that if there was any hint of political pressure he would resign. I think your explanation about any connection there is really not required, in view of Dr. Chant's reputation.

**Hon. Mr. Brandt:** Let us make it abundantly clear, because it is a very sensitive area of the relationship between the ministry and the OWMC on which we should have a very clear understanding. You have heard it from Dr. Chant and you have heard my interpretation of that relationship. I think that is of some value.

**The Vice-Chairman:** It is on the record.

**Dr. Chant:** May I make a comment? I will say this, and I will preface by saying that despite the question the Globe and Mail raised last Saturday as to whether I have been co-opted by the system or not, there has been no political interference. I think the real test of that was the South Cayuga decision. There was no whisper or hint of political interference to stand in opposition to the difficult decision the board of the corporation made to abandon the South Cayuga site.

Second, coming back to the budgetary point the minister raised, I think it is fully fair to say now that we have excellent budgetary relationships with the ministry, largely through Mr. Andre Castel, who works closely with us, not to impose his will or the ministry's will on us but to facilitate the flow to the corporation of funds that we require to accomplish our job. That is working extremely smoothly.

**Mr. Elston:** I have two quick questions, Mr. Chairman, and then I will let you move on to other speakers. The first is a general one. It seems that the relationship between the OWMC and the ministry has developed very well, even over the summer when there were some concerns when we last spoke about some matters. Is there anything that can be done by the ministry to assist you more in your deliberations?

**Dr. Chant:** I find it hard to put my finger on anything. The areas of deepest concern, of course, are the waste quantities work that we have discussed. I think there is a very compatible working relationship developing there, with a clear community of interest.

The other is on budget. As I have indicated, I think our relations with respect to financing are smooth, positive and effective. At no time to this point could I ever claim we have been impeded in our progress by a lack of funds.

At the same time, I cannot resist pointing out that by exercising what I think is judicious economy we did not spend the full budget that was authorized last year because we did not need it at that time. In other words, we are not in this game to spend money for spending's sake. I think there is a good balance there. We are getting what we require. We are not throwing money around lavishly but I think we are applying it effectively and making as good progress as we can.

**Mr. Elston:** You do not want to be penalized for happening to save this year if you happen to need the money next year; I presume that is what you are saying?

**Dr. Chant:** I think the fact that we underspent by \$300,000 in a budget of \$5.6 million last year was a test of whether anybody would feel we should be penalized because we underspent. I think that would be a frightful policy, to penalize anybody for underspending. That just encourages you to make damn sure you never do underspend, even though you could.

**Mr. Elston:** That often happens.

**Dr. Chant:** It often happens.

**Mr. Charlton:** The psychology exists.

**Dr. Chant:** It does exist, but it has not happened in our case. I think that was a test of the system through the ministry, with Management Board and so on, and that did not happen. The fact that we had underspent the year before was never raised in any regard in our discussions of the budget for the coming year.

**Mr. Elston:** The last question concerns your staff recruitment. We did see you briefly in the standing committee on public accounts and we spoke about the concerns that were outlined by the Provincial Auditor concerning the recruitment of one particular person in your employ. Have you changed your recruitment policies with respect to the types of bonuses and incentives you are going to offer, for instance, to the manager of reduction and recycling you are looking to recruit now? Is there any change in that policy internally?

**Dr. Chant:** I expect the member has in mind a housing loan? That is the only time it has ever come up as a condition of recruiting the person we wanted. It has never come up since. I do not anticipate that it will come up again. Quite fortuitously, the candidates we are looking at now are all Metropolitan Toronto people who would not even try to negotiate a thing like that with us.

As I said at the public accounts committee, I still stand behind that housing loan. We were moving the candidate of our choice, whom we thought and think was ideal for our purposes, from a low housing cost area, which happened to be Sarnia, to the high housing cost area of Metropolitan Toronto. We had the options of inflating his salary to take care of that demand on him, in which case nobody would have raised an eyebrow, or being up front and centre and giving him a 10-year housing loan. It is not built into his salary. He will pay it off and it will be gone. His salary is not inflated or distorted as it otherwise would have been if I had taken a different route.

The answer is no, there are no more housing loans, it has not come up.

**Mr. Elston:** But you will be looking to recruit the best person you can find.

**Dr. Chant:** Yes.

**Mr. Elston:** And in that sense you will be using the best methods available to find him.

9:30 p.m.

**Dr. Chant:** Let us be blunt. A housing loan is no longer quite the advantage from the federal taxation point of view that it was two years ago when we recruited this person. I doubt if a

potential recruit would come forward and make a big thing out of a housing loan now, because the tax advantages are very modest indeed, whereas two and a half years ago they were quite substantial.

**Mr. Elston:** Thank you.

**The Vice-Chairman:** At the moment we have Mr. Charlton and Mr. Nixon on the list.

**Mr. Charlton:** Mr. Chairman, before I get back to Dr. Chant, I will comment on the minister's dissertation about arm's length, because certainly most of us see the need for and appreciate the comments about arm's length. On the other hand, as I think Mr. Nixon was trying to say, there are limits to that kind of arm's-length relationship. There are responsibilities that the ministry has that may require comment by the ministry from time to time on what the OWMC is doing.

I do not think this would happen under the people who are running the OWMC at present, but presumably there is going to be a long future for that corporation and we certainly would not want to see the OWMC get totally out of hand like, for example, Ontario Hydro.

The ministry has a responsibility to keep its nose out of things like site selection and to stay out of the political pressure game, which we have all been assured is happening. On the other hand, if the minister or the ministry sees the OWMC running awry, heading in the wrong direction, overbuilding by 10 times or underbuilding by 10 times what the realities in Ontario are, you have a responsibility at that point to comment. The question is how those comments are made. I think the answer simply is that, if and when the ministry feels the necessity to comment on something that the OWMC is or is not doing, it be done publicly as opposed to privately where it may be perceived as political interference.

**Hon. Mr. Brandt:** If I could just comment briefly, Mr. Chairman, I agree with those remarks. I think some of the working detail specifically related to waste volumes that you have addressed is the kind of thing that is being discussed. I also think there is adequate communication and dialogue between Dr. Chant's people and our staff people to try to resolve those kinds of questions.

I do not think it is any particular secret that as the whole concept of the OWMC evolved and as we were coming to grips with the question Mr. Elston raised about the level of waste volumes, the sources of information were not necessarily

in all cases the same. In other words, the ministry had developed its sources in terms of where it thought the volumes were coming from, and the OWMC was doing the same. As the two communicated, they were able to bring those numbers—I think they are coming somewhat closer together, Dr. Chant, in terms of agreement of what the magnitude of the problem is out there. That is the sort of thing I think can be resolved in dialogue. It is an appropriate relationship, not that of one group trying to influence the other.

I hope this is what you are talking about, because I think that is the way it is being operated now.

**Mr. Elston:** You end up with some number between 60 million and 330 million gallons. Is that what you are saying?

**Hon. Mr. Brandt:** No. I do not think the numbers will vary by anywhere near that kind of magnitude; perhaps by a million or so at the most. I do not see any huge differential between the two numbers.

**Mr. Elston:** The dialogue continues, I take it?

**Hon. Mr. Brandt:** Yes, the dialogue continues.

I might add, if I could just say this because I think it is a reality, that the base changes almost daily. The number of chemicals that come on the market, the volume, the flow, the types of chemicals that would be dealt with by the OWMC, the question that Mr. Williams raised about the facility in Sarnia and what it can handle in terms of the less sophisticated waste, if I can use that term, these kinds of things can be adjusted on almost a daily basis, because they do vary quite rapidly.

The answer to the question today may be absolutely right, and yet it may change for tomorrow only because a company is developing a different type of waste that has to be disposed of. I think it is fair to say that the number will change between now and when the facility actually goes in the ground. I do not think there is any question about that.

**Mr. G. I. Miller:** Do you have a handle on those changes? Are you on top of that at the ministry?

**Hon. Mr. Brandt:** We think we are and we think the OWMC is as well. All I am pointing out is that we are co-operating through the working committee to exchange information so we know what is happening in the marketplace.

In many respects there is an advantage, from an economic standpoint, for companies to be in the business of producing new chemicals that

are of benefit to our society generally; but they also bring with them an attendant problem: what does one do with the residue or the leftovers, or the contaminated or toxic parts of those wastes that have to be dealt with? That is the kind of expertise Dr. Chant has. He knows how to deal with those things and where they have to go. I think we have a handle on it.

I can assure you of this, we have a better handle on it than any other jurisdiction I am aware of and I have studied a fair number of them. I think the answer still has to be a facility like the OWMC in order for us to be absolutely certain we are not getting illegal dumping or the irresponsible sorts of things that went on in the past in certain landfill sites we are all aware of. The only way to assure ourselves we have that kind of guarantee is to have an adequate disposal location like this. We have a handle on it, but it will change between now and the day of construction.

**Mr. Charlton:** If I can get back to Dr. Chant, we have talked a number of times and generally speaking I am fairly comfortable with the direction in which OWMC is moving. However, I have a number of concerns and a number of concerns have been expressed to me by others. I would like to talk to you briefly about some of them. Some of them relate to topics that have already been discussed in some fashion.

One of the things bothering me is the whole question of transportation. It is clear to me in general terms that the reason for your moving into the general area of the Golden Horseshoe is because that is where the bulk of the waste is produced and there are some potentially suitable sites in the area as well. However, the transportation thing is something that has bothered me from the outset. From my perspective, there are a number of different approaches at least to minimize the potential dangers in terms of transporting hazardous wastes long distances.

We were talking earlier about some of the larger industrial complexes that are already treating their own wastes. There are other large industrial complexes which are not now but which ultimately will get involved in treating their own wastes if, once a technology has been demonstrated, they can evaluate that it is going to be cheaper for them to build a facility in their plant and treat their own waste as opposed to shipping it 300 miles to your facility and then having it treated at some charge by OWMC. We are going to see some of that going on as the process goes along.

In that context, the groups that are going to

fall by the wayside or potentially be forced to use your facility are going to be the small industries in this province which do not have the financial capability of even considering treatment facilities for their own waste but, in terms of the transportation question, there may be some alternatives to transporting that waste all the way to your facility.

Without getting into a discussion about your negotiating partnerships with those industries, as the larger industries develop treatment facilities of their own, are you looking at and are you prepared as a corporation perhaps to be a facilitator in terms of assisting small industries to find a larger facility closer to them where they can buy the same kind of service they would buy from OWMC in terms of treatment, without the prospect of shipping that waste from Thunder Bay, Kenora or Sault Ste. Marie to some site in the Golden Horseshoe?

9:40 p.m.

**Dr. Chant:** Yes, we are, in a variety of ways. I think the members heard me say before that we must never lose sight of the fact that, even though we talk so much about the central part of the facilities, the physical chemical plant, incinerator and landfill, in fact our mandate is to create a waste treatment system for Ontario. I think inevitably, and you have heard me say this before, that will involve local transfer stations. Part of their job will be to help meet the problem of the small industry producing, presumably, relatively small quantities of waste and its difficulties in bulking and transportation, sorting and segregation and that kind of thing.

Over and above that, in regard to the position for which we are recruiting a manager of waste reduction and recycling, I see that as being the biggest part of his job. One does not have to go to Chemical Valley in Sarnia and tell them the technology of waste recycling and reduction. They are doing what they can now and they have staffs of engineers, experts and everything else. This is for the medium and small industries among those 20,000 I referred to earlier which do not have their own staffs of engineers, which probably do not run very sophisticated operations and may not always be conscious of the opportunities for waste reduction. If they did the process a little differently, perhaps there would be less waste coming out the end.

With this person we are recruiting, I see our role as going out to these people, whether it is the silverplater in Peterborough or the tannery in Guelph, and saying: "Did you realize that if you did it a little differently you would not have

these waste problems? Did you realize that somebody is willing to buy the waste you are producing, to recycle it and resell it to somebody else?" It is just to act as a broker, if you want, and as a technical consultant to the industries that are of such a size that they cannot have their own staff of technical people and engineers. I think there is a major opportunity there that I will be watching with great interest.

Moreover, as to this Ontario waste exchange program that the Ontario Research Foundation operates and which I mentioned earlier, at the moment I think that program on a Canada-wide basis takes care of one per cent of the toxic waste produced in Ontario. They are trying hard but their resources are absolutely minimal. I think the potential is considerable there to do better. That, too, will help the small and medium industries by finding out what it is they produce and who puts a value on it and may take it off their hands; in other words, another broker role.

I think there is that variety of ways, and I am sure there are others, including the identification of local, underused in-plant treatment facilities, that the little fellow nearby might take advantage of. I think all of those are responsibilities. We will begin to meet them, first, through further support for the ORF program; and second, through providing this technical expertise to those who need it and are willing to avail themselves of it.

**Mr. Charlton:** That is basically what I was getting at. I agree with you that in terms of recycling, waste exchange and bringing two companies together there is a huge potential.

As I said at the outset, my concern is not in terms of the general direction in which the OWMC is heading, but in terms of ultimately minimizing, to an absolute minimum, the amount of stuff that is going to have to be shipped to your facilities, especially from long distances. Industry that is close to the OWMC facility may find it cheaper to use your facility than to construct its own, depending on the kind of waste produced.

You have basically assured me you are looking at all those things. Those are very important aspects of the development of your whole planning process. That brings up my next question, which is one that has been raised with me by the private sector by companies that are already in the business. Tricil is the example that has already been mentioned tonight.

I have two areas of concern. One is the concern those industries have—it is not particu-

larly my concern but the industries themselves have it—that either you are going to attempt to steal their business or reduce the potential in the private sector for them to flourish. I would like your comments on that because I did not perceive that as a particular problem in other discussions I have had with you.

**Dr. Chant:** Everybody knows that we have no monopoly on waste treatment in the province, nor should we have a monopoly. The concerns the members have expressed as they have come to me directly have two focuses, I think. One is that the private sector recycling industry is worrying whether we are going to set up a recycling plant in addition to all the other treatment facilities we speak of. We have no intention of doing that. I think our role there is as a facilitator or technical consultant, the kinds of things I have explained.

The other focus, which I think is much more widespread, is, will we have unfair competitive advantages and, therefore, be able to outcompete the private sector? My gut feeling at this stage is to the contrary. People say to us that we have to meet the standards for the industry, not only to meet the regulatory standards but to be better than the regulatory standards; that we have to provide consulting services to those who want to recycle and reduce, to be on the forefront of research and development of the world's technology and constantly improving our operation. At the same time, we have to run that gold-plated Cadillac like a Model T Ford.

I think we are going to have a tough time treating a price structure that is competitive with the private sector because of the unusual demands that will be placed on this. You are aware of an additional one, that the private sector—and I do not say this critically at all—can pick and choose the wastes that it wants to treat, the wastes that have the higher profit potential and that they have the technology to treat.

We cannot pick and choose. My understanding of our mandate is that we must provide a full service and treat all of the wastes in Ontario that, in our collective judgement, require treating. That could be a very expensive proposition with certain kinds of wastes that are very difficult to treat.

I think the bottom line at this stage is that we will have to run hard to keep up with the competitive price structure.

**Mr. Charlton:** I think that raises, in part, the question that has been raised with me. The very thing you have just said is that, one on one, the

OWMC, because of the very special demands that have been placed on it, is going to have a very difficult time competing in an open market per se.

I think the fear that exists out there is that once you have facilities in place, and in the price structure game you are having difficulty competing, at that point the ministry and the government will step in and say, "Okay, we cannot afford another public boondoggle here so we have to very quietly start subsidizing OWMC's rates, to start attracting business to OWMC so that people are not screaming at us about this facility that is sitting there operating at 25 per cent."

I think that is the kind of fear that exists out there and that, ultimately, OWMC has to operate as a corporation on its own back and in an open market. I say this to you, Dr. Chant, but I guess more so to the minister because, ultimately, that is where any subsidies are going to come from.

The whole question of hazardous industrial waste is a very important one, but my concern in what has been raised by some of these businesses that deal with wastes through recycling, or as Tricil does with incinerators, is that we do not want to see a rate structure that will encourage somebody right next door to Tricil to put his stuff in a truck and drive it up to the Golden Horseshoe, where a spill could be a very dangerous occurrence, because there is a subsidized price structure. I think that is what the concern is out there.

**Dr. Chant:** What I am trying to express at this very early stage in the business planning of the corporation is that I think we will have to work very hard to have competitive prices because of the unusual demands placed on us. There may well be some exceptions to that.

One particular area I foresee would be in the area of high-BTU wastes to fuel the rotary kiln. Companies in North America are competing very aggressively for oily wastes to fuel their kilns. I predict that the day is not far away where, if I am a producer of oily wastes, I will not have to pay to have them disposed of, somebody will buy them from me to use to fuel the kiln because using virgin fuel in a kiln is a very expensive proposition.

9:50 p.m.

I do not know how that competitive situation will work out, and there are other intruders in that market. I think the federal government recently has approved a test burn of high-BTU

wastes in a cement kiln somewhere. If that is so, cement kilns may well become a competitor for high-BTU wastes in competition with the waste-treating industry—Tricil, ourselves, whoever it might be. This is a very complicated thing. I would not pretend to give any particular foresight or predictions on it at this early stage.

I come back, however, to two points that I think are important, and they will guide the evolution of our business strategy, our pricing structure and so on. I have always said that we have no desire, nor any mandate, to put out of business the private sector that is providing adequate and suitable treatment processes now. Second, as I said, we have no mandate to be a monopoly, nor should we have a mandate to be a monopoly. Those considerations have to guide the evolution of our business plant.

**Mr. Charlton:** I take it that the available facilities for treating, destroying or recycling certain types of wastes that are already in existence in this province are being taken into account in your total planning process?

**Dr. Chant:** Yes. I cannot say we will not have head-to-head competition in some areas; but in other areas of very high and expensive technology which we are treating, we probably will have a de facto monopoly.

**Mr. Charlton:** Yes. I understand that. There are going to be some areas of competition, and I do not think we can avoid that because we believe your facilities are necessary. I think the basic concern that was being expressed by some people in the private sector was that you were going to build a facility that would be capable of dealing with 330 million gallons and, therefore, be forced to try to compete.

**Dr. Chant:** We hope to avoid that. I indicated some time ago that the guiding principle of our board is not to build too big but to build large enough to have some impact initially from the very first moment.

**Mr. Charlton:** That was the concern that was expressed.

That brings up one other concern I have had for a long time. I mentioned it to the former minister a number of times. It is something you may be discussing in the corporation, but I have not heard it mentioned at all. It is the great, long list of chemicals that are being used in industry in this province, and right around the world for that matter. I have done a little bit of reading on it, but I am no expert by any means.

One of the things that has to be done and apparently is not being done—as I say, you may

be doing it but you are just not talking about it because it has not come up—is to take a very thorough look at all the chemical substances, solvents and so on that are being used in industries, perhaps priority-rated in terms of their potential dangers, and to take a very thorough look at alternatives, that is, eliminating the need to use some of the worst of the chemicals we are now using.

It seems to me, just from the limited amount of work that has been done in the area, that some industries are using one chemical or one solvent, and another industry with basically the same process is using something else. There should be a very thorough look taken at the advantages and disadvantages of these substances, and recommendations should be made back to those industries, as well as to the ministry for that matter, about those substances which could be eliminated from use altogether. This is the one aspect on which I have not sensed anything happening.

**Dr. Chant:** I think I can tell you why. I find myself in a quandary here in a way. If I could take off my OWMC hat and take Mr. Charlton out to have a beer, I could tell him what I think, wearing another hat, about the general overreliance on chemicals and the unwise and unnecessary use of chemicals. I cannot do that tonight, however, as I am wearing the OWMC hat. I have to come back and say, "We are not the regulators. We are not the policemen. We do not write the laws." I think we have a role to play, especially perhaps through our research and development program once it gets developed, in bringing some of these situations to light.

**Mr. Charlton:** That is what I was getting at. I do not expect you to ban the use of—

**Dr. Chant:** That is the important point. The OWMC is not going to ban the use of a pesticide, a food additive or whatever it might be, but I think we could and must point out the waste problems that the use of those materials brings forth, and I am happy to say that this is part of the discussion through this task force on waste quantities with the ministry.

One of the issues we are looking at, and I forget which category it is, C-10 or something, is pesticides and the wastes produced by the pesticide industry—not the pesticides that go on the apple tree, but what comes out of the plant that makes the pesticide that goes on the apple tree, we have to be prepared to deal with those wastes. I think we can go one step further—and

it will be interesting to see—and say, “Moreover, not only are we prepared to treat those wastes, but we think there are ways of conducting affairs so that they will not be there in the first place.”

**Mr. Charlton:** That is exactly what I was getting at. I do not expect OWMC to make the decisions about pressuring industries to change what they use or to ban certain substances.

You mentioned earlier that you are doing a survey of 500 companies. As you go through your process, you are going to find out a lot about companies that basically do the same things in a different way or are using different substances. You will, therefore, be in a position to make recommendations to the ministry, such as: “You have a problem with this particular substance. It is not necessary to use it. It is a little cheaper perhaps, but it is a lot more toxic; it is a lot harder for us to deal with as a waste management corporation. Go and talk to this company and that company, and if you cannot reach some resolution, perhaps you are going to have to consider regulating it out of use.”

That is how I see OWMC fitting into that because of the contacts you are going to make and the companies you are going to deal with.

**Dr. Chant:** I do not want to pretend in any way that we are presumptuous enough to try to be all things to all people. The way I would put it is that, undoubtedly, through our work we will develop certain insights, gather certain information and have certain skills that I hope will become a part of the knowledge on which the provincial Ministry of the Environment, and indeed Environment Canada, which, after all, does regulate—not just Environment Canada; the Department of Agriculture regulates pesticides as well—base their policies, their regulations and their policeman role.

As you point out, and I agree with you, I do not see us having a lead role or a primary role in bringing about those changes. I think it is sharing our knowledge.

**Mr. Charlton:** Perhaps just a discovery role.

**Dr. Chant:** That's right.

**Hon. Mr. Brandt:** Perhaps I can comment briefly, Mr. Chairman, on this same area because, as Dr. Chant has already mentioned, some of what the member for Hamilton Mountain is raising with respect to the role of the OWMC is really some of the area of responsibility that we are dealing with in the ministry now. We do have a Pesticides Advisory Committee, as an example. I do not know if you have had an

opportunity to read its most recent report, but if you would like it, I can certainly get it for you.

It deals with the very question you are raising. First of all, the whole family of pesticides grouping is within the report, quite obviously, and they are talking about reducing the use of pesticides whenever and wherever possible. They are moving in the direction we are talking about. This is one group that is in place and working with the ministry now; and I might add that it has been expensive, some millions of dollars over a period of time have been invested to bring about the very type of result you are looking for.

The other part of it is one the ministry and I are struggling with, and that is something that is called the standard-setting advisory committee. This deals with the point you were addressing to Dr. Chant about those toxic and hazardous chemicals that are being produced and how one could come to absolute definitions of the degree of toxicity with a particular chemical, the problems that are related to it and so forth.

As a matter of fact, earlier today the deputy and I were dealing with this very subject, and it is a massive undertaking which has never been done by any other jurisdiction. We have some standards, quite obviously, for groupings of chemicals, but when we get into the area you are talking about, although I agree with you entirely, I can tell you that it is the intent—in fact, it is a commitment on my part and on the part of the ministry—that we will set in place, I hope within a matter of months, a standard-setting committee that is going to start undertaking the very type of work you are talking about.

10 p.m.

I would guess that the appropriate role between the OWMC and this particular standard-setting committee would be one of dialogue and advice. They may go to Dr. Chant and his group, as an example, to try to make a determination of the standard that would be appropriate for that particular chemical. One of the areas we did discuss in some detail today was the consultative process. What is required? What is happening elsewhere in the world? What are other standards and what is appropriate for Ontario?

I agree entirely with what you are saying and I think we are making some moves in a corrective sense to try to get a handle on it, but it is something that is going to take—and I am not exaggerating at all—years to come to grips with.

**Mr. Charlton:** I understand that. We are

talking, first of all, about tens of thousands of substances.

**Hon. Mr. Brandt:** That's right.

**Mr. Charlton:** We are talking about some knowledge of some of them and little knowledge of other chemicals and so on. All I was trying to get at was a mechanism to start the process happening.

For example, I understand that ultimately it is the ministry's responsibility to deal with those questions, which is what Dr. Chant and I were just discussing. What I want to see is that process starting. What I do not want to see happening is Dr. Chant and the OWMC three or four years from now actually going into operation with their facilities in place and having contact with virtually all of the industries in this province in one fashion or another and duplicating all that.

Whether it is because they are getting waste from those companies or they are helping those companies find another way to dispose of or recycle or sell their waste or whatever, they are going to have a huge and intimate knowledge of the waste streams, the waste types and the problems with wastes that exist in this province. I do not want to see the ministry go running out and duplicating all of that, trying to accomplish the same thing.

We can have a good and legitimate information flow based on what the OWMC is finding, both with respect to those wastes that are most difficult to deal with and in those situations where you find two or three industries basically doing the same kind of operation, one using something that is far more toxic than the other two, and we can create a situation where they can then pass that information along to you and you can go and talk to that third industry about the problem it is creating. I would like to see you making use of the contacts OWMC is going to be developing and the knowledge they generate.

**Dr. Chant:** We have to be careful on that point, in my opinion. I fully agree with the spirit of what the member is saying, but at the same time, we will be developing a customer relationship with many industries. I think if any of those clients of ours who are using our services came to view us as a fifth column, or as a policeman breaching the gates as it were, we would probably not get the co-operation or the positive approach we are looking for.

Yes, there is sharing of information. I fully accept that, but not in the sense, I think, of informing on an industry or a particular com-

pany to the ministry. There is a very fine line there that, if we go beyond it, could impede the confident relationship that I hope we can establish between ourselves and the many industries that would be sending waste to us.

**Mr. Charlton:** All right. Perhaps there can be a problem with identifying specific companies. On the other hand, it is not going to create any serious problem if you send a report to the ministry saying that in Ontario there are 50 companies doing this particular thing and some of them are doing it in a fashion that creates problems for you with respect to the kind of waste they are producing, which you cannot handle as adequately as some of the other companies that are using a different substance, and would they just have a look at this sector. I do not care how it happens.

**Dr. Chant:** There is a very good example of that to prove your point. The photographic film-making industry is moving away from silver, and that means they are moving away from cyanide as a waste that somebody has to treat—us. We should play our part in encouraging the whole film industry to move away from silver. Once it has been proved possible that it can be done, I think we—the ministry and everybody else—should encourage that kind of transition, which results in fewer hazardous wastes to be dealt with.

If I just might digress for a moment, I used to be a member of the Pesticides Advisory Committee to which the minister referred. The other day I was reading their annual report of research projects. One of the most important things that committee has done is to create a fund over the years, of somewhere near \$300,000, a year for the support of research. Looking over the 50, 60 or 70 research programs they support, mostly in universities but also in industry, well over half of those research projects have as their explicit objective the reduction in the use of pesticides, the development of integrated programs, biological control programs and other different approaches.

I think that is to that committee's very great credit. If I may just plead a cause for a moment, I hope when you get to them in the budget you do not do their research budget any violence, because it is money well spent.

**Mr. Nixon:** I want to pursue the matter of pesticides for a moment. It seems to me that a number of pesticides used in Ontario and many other places were approved on the basis of fraudulent testing. Has that matter been corrected and re-established?

**Dr. Chant:** This is a federal matter, as I am sure the minister would be the first to point out. Yes, they were approved on the basis of fraudulent data, and the Department of National of Health and Welfare has been very concerned about that over the past three years or so.

The word I get, which is very informal, is that one by one they are having the fraudulent data reviewed and verified. In some instances, and now I am getting beyond my field of knowledge, they have limited or banned the use of some of the pesticides that were licensed originally on the basis of fraudulent data from the United States.

**Mr. Nixon:** As a farmer who uses pesticides himself, I was interested to read, I believe it was in the *Globe and Mail* earlier this summer, the list of chemicals that had still not had the fraudulent aspects corrected. They were chemicals that certainly we were using on our farm and are used quite generally in our area on soybeans, corn and so on. I suppose that eventually you may have the responsibility of collecting those materials and doing something with them.

Are you going to be dealing with some materials that can be disposed of only by placing them in drums in permanent storage?

**Dr. Chant:** No. One of the very early policies approved by the board was that we will put nothing into our engineered landfill that has not been treated to the best that technology will provide. No raw waste in drums, containers or just loose will go into our landfill.

Most of those pesticides that Mr. Nixon has expressed concern about are organic pesticides, and that is exactly the kind of thing that rotary kilns can handle so well; they can destroy them.

**Mr. Nixon:** I want to pursue that very line. Does the corporation have the responsibility for liquid wastes that are waiting for your treatment?

**Dr. Chant:** Let me put it this way: I see our mandate as being, first and foremost, to create a preventive system so that in future we will not be confronted with some of these waste problems, dump problems and improperly disposed of waste problems we are so familiar with today.

I do not want anything to deflect us from that path. I think that is the long-term top priority for us: to create facilities for that preventive purpose for the future.

Once we have created those facilities, and as the ministry and society as a whole move towards cleaning up some of these improper dumps of the past, there inevitably will be a role

for OWMC to play. If you are going to—what is the word? “Rescue” is not the right word. What do you do with an old dump?

**Mr. Charlton:** Resuscitate it.

**Dr. Chant:** Rehabilitate it. There will be organic and inorganic liquid wastes being recovered from those improper deposition sites from the past that we will have a role to play in treating and destroying.

I come back to my central theme. I think our absolute top priority has to be to get the facilities in place, to make sure we do not have any more Love Canal episodes, to use the example we are all so familiar with, in the future.

10:10 p.m.

**Mr. Nixon:** There is the other situation I was referring to where the stuff is not dumped, not Love Canalised, but is in drums, in inspected storage, waiting for something to be done with it. As a matter of fact, it was that stuff that provided the anxiety and pressure that goes back a number of years ago when the minister's predecessors were certainly pressing the Legislature and specific members such as myself not to object to the emergency situation they then saw. The emergency disappeared, as you know. We do not feel the pressure at all and you, personally—your reputation and appointment—stalled the emergency. But that is now many months ago. As far as I am concerned, your reputation will probably take us a couple of months more.

When I think of the pressure the minister's predecessor two or three back, Harry Parrott, was subjected to when the feeling around was that if we did not do something about this we were all going to be mutated or worse, it was quite an amazing thing. We talk about the politics of liquid industrial waste disposal and the way the so-called politics have disappeared with your appointment, but still the pressures we felt in those days are going recur as soon as you come out with some specific statement. All the palaver you perhaps read about and even contributed to in your previous incarnation is going to recur. There is no doubt about that.

What I am really asking you is, does the corporation have responsibility now, not for the stuff that was dumped improperly but for the stuff that is sitting there in Hydro warehouses and chemical warehouses just waiting for you to decide what you are going to do with it, such as PCBs? Are you responsible for the inspection and care of that stuff?

**Dr. Chant:** I sort of thought that might be what you had in mind, Mr. Nixon. Let me give you several answers. I do not think the pressure has gone away.

**Mr. Charlton:** Is this multiple-choice?

**Dr. Chant:** No, no, no.

**Mr. Nixon:** None of the above?

**Dr. Chant:** They are not mutually exclusive.

I do not think the pressure has gone away. I feel the pressure of urgency to create these facilities just as strongly as I did at the heat of South Cayuga.

**Mr. Nixon:** Middleport; that is where the heat was.

**Dr. Chant:** All right; that preceded my time, I guess.

I do not think it has gone away. It is not as politically visible, but it will ebb and flow depending on the circumstances. I feel the sense of urgency.

Generally speaking, as you know, industry from the very beginning has been supportive of the creation of the crown corporation. Many industries have been deliberately storing their wastes rather than improperly disposing of them, waiting for us to be in business. Definitely, we will deal with those wastes.

With respect to PCBs, the situation is a little more complicated. My understanding is that the ministry intends to put guidelines for PCB destruction into effect. Once those guidelines are established, then our job—on the assumption that they will be established—is to decide, is there a role for us in PCB treatment given the fact that the guidelines are there, or is it the private sector that will step forward and say: "Now we know the rules of the game we will proceed to develop PCB disposal and destruction units"? That is an open question but I certainly have an open mind. Obviously PCBs are toxic liquid waste and that is what we are here for.

I do not close the door to that. I think it is a question of finding what OWMC's role most properly would be when the guidelines are there and when everybody knows the rules of the game. I am sure you know, Mr. Nixon, that the problem with PCB disposal is not finding technologies. There are technologies for disposing of PCBs. The problem is a political problem and public objections to PCB disposal in their neighbourhood.

In a way that is the name of the game for us in liquid waste treatment, the "not in my backyard" syndrome, the public resistance that we

discussed earlier this evening. It may well be that there is a role for us when the ministry's guidelines have been subjected to public scrutiny and generally approved.

**Mr. Nixon:** If I might stick with PCBs as, let us say, high-profile material that you will eventually deal with, you may recall they used a high-temperature cement kiln in Mississauga as an experiment. I think Hazel McCallion knocked that on the head and went to court about it. Could they be considered high-BTU fuels?

**Dr. Chant:** Yes, indeed. Most PCBs are not stored in pure form. They are, in fact, contaminants of oils.

**Mr. Nixon:** So the only problem in getting rid of them is that people do not want them gotten rid of in their community?

**Dr. Chant:** That is my understanding.

**Mr. Nixon:** In other words, you consider it a psychological problem rather than a real one?

**Dr. Chant:** Yes, I do; but realize I am not a specialist on that.

**Mr. Nixon:** But you are here to dispel psychological problems. That is why, in my view, you are the highest-paid public servant.

**Dr. Chant:** That is a debatable point.

**Mr. Nixon:** One of the higher-paid public servants. There is no doubt in my mind that the critics, paranoid and otherwise, on all sides, have a very high degree of confidence in your impartiality. It has nothing whatsoever to do with the minister handing money over with his eyes blindfolded.

There is no doubt that if you were doing something the ministry could not live with, you would be replaced by somebody forthwith, or however they do these things. In fact, the whole justification for your appointment is that if you said, and presented the facts that we would be confident would back up your decision, that PCBs could be safely put into a rotary kiln, a cement kiln, or even one of these imported German ones you are talking about, I for one would feel constrained that anybody opposing that would be doing it for purely psychological or, even worse, political reasons.

**Dr. Chant:** Certainly the psychological situation is one of the reasons we were created. There is no doubt about that.

The information I have is that a 2000-degree Celsius rotary kiln is perfectly capable of destroying PCBs.

**Mr. Nixon:** An ordinary cement kiln?

**Dr. Chant:** I am not sure about an ordinary cement kiln.

**Mr. Nixon:** But a slightly adjusted one could do it?

**Dr. Chant:** Yes. The level we tend to think about, because of the US Environmental Protection Agency data, is "six nines," as they call it; that is, 99.9999 per cent destruction. That is practically thorough and complete destruction.

**Mr. Nixon:** Is it good enough?

**Dr. Chant:** Yes, it is good enough.

**Mr. Nixon:** It has been good enough all this time?

**Dr. Chant:** I am not sure how recently this variety of technology has become available. The report I am thinking of, and there are others, was a federal report of last winter on the available technologies for PCB destruction.

I have to come back to a point that was made earlier, and that really was the point behind the answer I gave to your question, Mr. Nixon. If the PCB destruction guidelines are in effect and the private sector steps forward and can meet those guidelines and can qualify for those guidelines, where do we stand in a competitive situation?

The hesitancy I have about PCBs and putting too much of our energies into them is that they are a temporary problem by definition. No more PCBs are being permitted to be manufactured. All the PCBs we will ever have are now either in service or in storage; a finite quantity. If we poured an enormous amount of energy into that at the expense of making acceptable progress in our other facilities, I do not think we would be serving the people very well.

There is a finite amount of PCBs coming out of service in transformers, capacitors and so on. We may have a role to play, depending on the success of the guidelines and depending on the voluntary initiative of the private sector once the guidelines are in place, but I would not give them any special attention. Especially, I would not be diverted away from the main thrust of our programs, our energies and our resources to focus exclusively on the PCB problem.

**Mr. Charlton:** While we are on this topic of PCBs—

**The Vice-Chairman:** I have a supplementary from Jack Johnson on this. I will take your supplementary after Jack's.

**Mr. J. M. Johnson:** Mr. Chairman, I just wanted to follow up on two of Mr. Nixon's comments. One is a point of clarification. Many people have the idea that industrial liquid waste

is only dangerous toxic chemicals. It is my understanding that many byproducts of household use and chemicals or plastics, and even printer's ink and things of this nature, are also a problem and are considered industrial liquid waste. Is that correct?

**10:20 p.m.**

**Dr. Chant:** I would not call them industrial liquid waste, but they are liquid wastes that often require special treatment facilities.

You may recall we were at Ebenhausen looking into the big bin where they received and stored the liquid wastes that were going into the incinerator. One of the advantages of the high-temperature rotary kiln is that it can deal with solids. They were putting barrels in there and burning the barrels, as you will recall. There were also a lot of used hair spray cans, plastic dishwashing liquid bottles and things like that in the bin. They were there for a purpose. Some of them have a BTU content of their own, which helps fuel the kiln.

Also, you get the right consistency of material being fed into the kiln if you mix it with some of these other things. In fact, the destruction of some of the small quantity hazardous household materials that can be collected may provide, almost as a secondary byproduct if you want, an assistance to your incineration process.

**Mr. J. M. Johnson:** My point in raising the question was the possibility of informing the public that everyone contributes in some way to this problem. Some people just look on it and say: "Well, chemical companies are creating the problem. Why don't they solve it?" But all of us in society make some contribution to creating the problem.

**Dr. Chant:** I could not agree more. There is a wonderful example. I was back in Ebenhausen this spring with some of our staff who had not been there before. The Bavarian system has developed even beyond what Dr. Parrott and his party and I saw in early 1981.

One of the examples that is very striking is that they have 23 local collection stations in the state of Bavaria, which is about the size of the Golden Horseshoe. It is not a big geographical area, and 23 stations is a lot. They decided they had to go beyond this passive acceptance of waste and reach out to the community and persuade them that we are all part of the problem. They had a test campaign on mercury batteries at the school level.

A mercury battery is 40 per cent mercury, and mercury is a very toxic substance. They col-

lected 23 tons of mercury batteries through school children by providing them with little battery collection kits. Forty per cent of 23 tons is a heck of a lot of mercury that did not go into landfills and did not litter the landscape and create toxic waste problems. It is a wonderful success story. It makes the point you are making very dramatically.

I think there has to be education so that we all know the part we play in the waste problem.

**Mr. J. M. Johnson:** My first point was public perception. My second point follows through on the point Mr. Nixon raised about the sense of urgency and whether it is political. We do not have to dwell on what happened in the past but only on what is going to happen in the future. Personally I feel there is a sense of urgency, which you mentioned. I think the public has to understand there is a sense of urgency or else we will never get the job done.

**Dr. Chant:** I could not agree more. I mentioned at the beginning of my comments that of the thousands of people my staff and I have met with over the past two years, not a single person has challenged the need for toxic waste treatment facilities. I cannot think of another issue in society today where you can get that degree of unanimity. I see that as being an extremely helpful and healthy sign.

**The Vice-Chairman:** I have supplementaries from Mr. Charlton and Mr. Nixon. Mr. Harris has been waiting patiently all evening. I hope you will be able to allow him time for some questions.

**Mr. Nixon:** Okay. I will just take a couple of minutes.

**Mr. Charlton:** I just have a very quick comment on the PCBs question.

Generally, Mr. Nixon, your comment about everybody understanding the need to come to a conclusion about how to destroy PCBs but not wanting it done in their municipality is something that has been true. That is basically what happened in Mississauga. On the other hand, Dr. Chant is right when he says that, very slowly, some changes are occurring in those attitudes. The ministry, outside of the OWMC, has been proceeding with proposals to do tests of technologies to destroy PCBs.

**Hon. Mr. Brandt:** Mobile units.

**Mr. Charlton:** Yes. For example, after a very thorough discussion, a lot of soul-searching and, I might add, some intensive lobbying by a number of people, Hamilton city council has approved test burns of PCBs in the city of

Hamilton without a huge public outcry and backlash because there was a fairly thorough discussion of the whole thing. It is gradually starting to change and the ministry is proceeding.

Perhaps Dr. Chant's role to some degree is, as you suggest, to give credibility to some of the things that will be decided. To some degree that is happening on its own as well, as education and technologies grow.

**Mr. Nixon:** Is the Royal Military College plasma arc still under consideration?

**Hon. Mr. Brandt:** Yes.

**Dr. Chant:** Yes.

**Mr. Nixon:** Is it at the top of the list?

**Dr. Chant:** It is not at the top of my list. I cannot speak for the minister.

**Mr. Nixon:** How about the diesel engine?

**Dr. Chant:** The diesel engine is not at the top of my list either.

**Mr. Nixon:** Is it on your list?

**Dr. Chant:** It certainly is one of the technologies that has to be considered. To my mind, the RMC one comes closer to the ideal. It is a very efficient destroyer of PCBs.

The trouble is one of scale at the present moment. Even with the best planning they have, as I understand it they cannot see much beyond about a gallon a minute in destruction. A gallon a minute, every minute of every day of the year still is not very many gallons of PCBs. It is a question of capacity. I could be wrong. If anybody has better technical knowledge than I do, which is quite possible—

**Mr. Nixon:** We are a little bit pressed here and I have one point I have to make. When you make your announcement of the strong proposal with all of the background, the question that is going to come me, certainly if it is my constituency, is, "Did they look in Bill Davis's backyard?" Is that orange spot in Peel big enough?

**Dr. Chant:** Yes, it is big enough. It is a candidate area.

**Mr. Nixon:** It is the same colour as all the other candidate areas. Is that right?

**Dr. Chant:** There are two colours on the map. There is yellow and there is orange.

**Mr. Nixon:** I think it is the top colour.

**Dr. Chant:** It is orange.

**Mr. Nixon:** Is that a good or a bad thing?

**Dr. Chant:** Number 14; that is a good thing. It is a candidate area. May I say, without meaning any disrespect at all, that Mr. Davis was not

responsible for the hydrogeology of his area. That was laid down by the last glaciers 10,000 years ago. We are looking at the soil characteristics. The most common comment I get is: "Don't put it in Brampton. Put it right outside here in Queen's Park."

**Mr. Nixon:** That is all right because many of us are not going to be here very long anyway.

**Dr. Chant:** It does not have the right soil.

**Mr. Harris:** Once the riding is split, the orange spot will probably be in the right place.

**Mr. Nixon:** We call it the "O" spot.

**Mr. Harris:** I have one other comment. The minister agreed with Mr. Charlton at the start, and one of the comments was that Hydro was out of control. I am not sure the minister meant to include that in his agreement.

**Hon. Mr. Brandt:** I do not think I said that at all. I may have bypassed it without comment. Do you mean silence is concurrence? Is that what you were suggesting?

**Mr. Harris:** I just thought the record might be not exactly the way you might want it to show, minister, in your total agreement.

I would also like to thank Mr. Gotts for the figures. It is crystal clear, exactly as I understood them last Tuesday on the sites that were handed out right at the start of the meeting. Northern Ontario has been excluded from the site selection process, Dr. Chant. I assume that is because of distances. I assume that, knowing of the new boom growth in Nipissing that I am sure is going to be taking place over the next few years. Certainly it started in 1981 and it is coming.

To get into transport: you mention collection stations in Germany. Presumably if there are collection stations, these would be owned and operated by your corporation, but the transport of the goods—Mr. Charlton started on it but I am not sure I understood whether you understand. Is your mandate going to be in that area as well? Do you see a mandate in transportation?

**Dr. Chant:** In transportation? No, I do not foresee the OWMC transportation company. There is a strong private sector transportation industry in Ontario. They have made what I consider to be a first-rate brief to Mr. Snow with respect to the transport of hazardous waste, equipment standards, driver training, adequate labelling of hazardous loads and this kind of thing, which I fully support.

0:30 p.m.

I said, perhaps too easily, that the transfer stations would be owned and operated by the OWMC. Certainly some of them will, but there are private transfer stations now. There is one in Mississauga, for example, and we do not intend to put them out of business any more than we do the private sector treating business. They might well be very useful to us, but it does seem to me the northern problem is a real one.

The major reasons we did not look north of 40, north of North Bay, were partly the transportation distances, but also the absence generally of clay soils in the north. There are some clay belts. They are a long way away and most of the northern soil is pre-Cambrian rock. That is not suitable for a landfill. It does not provide the natural safeguards.

I think seven per cent of the wastes in Ontario are generated north of North Bay. Those industries require servicing and a treatment service as well as those in the south. I think it is inevitable that to provide this service to the local industries north of North Bay there will be transfer stations that we will be operating and offering to them so that their wastes, too, can be taken off the environmental streets, if I can put it that way, and be satisfactorily treated and disposed of.

**Mr. Harris:** You are talking about more than one site in the long term. You are talking about sites, but you do not foresee a site in northern Ontario.

**Dr. Chant:** Not a treatment site, but I certainly foresee transfer stations in the north.

**Mr. Harris:** Was North Bay included in the area you looked at?

**Dr. Chant:** No. I think the 40th parallel is just a few miles south of North Bay, and it is there we stopped.

**The Vice-Chairman:** Gentlemen, I seek your guidance with regard to pursuing the dialogue with Dr. Chant further beyond this evening. It has been a most informative evening and the members of the committee may feel they have had an opportunity to ask all the questions they wish of Dr. Chant arising out of his presentation. If so, we will conclude this particular item with a brief comment from the minister, but if there is a desire to ask more questions of Dr. Chant we will have to arrange for further time later in the estimates.

What is the wish of the committee?

**Mr. Harris:** That is fine with me.

**The Vice-Chairman:** Are you satisfied?

**Mr. Charlton:** I am satisfied.

**Hon. Mr. Brandt:** My comments are not related to the OWMC. They are related to a procedural format. From here on I wanted to get some guidance from the committee.

**The Vice-Chairman:** Then that concludes the debate or discussion with regard to the Ontario Waste Management Corp.

Item 4 agreed to.,

**Hon. Mr. Brandt:** Mr. Chairman, I will try to be brief. I recognize the time constraints we have at the moment. I hoped I would be able to complete my remarks before the bell. What I wanted to get from the committee, and more particularly from the two party critics, is some direction on where you wish to go in terms of the next one or two sessions.

There were a number of questions raised in regard to landfill sites, specifically dealing with Pauzé, Perkinsfield and Upper Ottawa Street. I believe some comment was raised in regard to King township and the charges and so forth. If you wish, we can discuss landfill sites in a group and deal with all of them. The same sort of thing may be appropriate with respect to the acid rain question. A number of different questions were raised on that point.

What I am looking for in terms of guidance is the area you would like to discuss next. I do not necessarily want to lead the committee, but I would like to have the appropriate staff here to discuss some of the technical background of these questions. I just want some guidance in that respect.

**Mr. Charlton:** If I could make a suggestion, perhaps Murray could comment on it. First, how many hours do we have left?

**The Vice-Chairman:** Eight hours.

**Mr. Charlton:** Then next week we are going to have Tuesday night, Wednesday morning and Thursday night. I would guess we will have a half hour left over after that. That is seven and a half hours, so that would leave us a half hour on the following Tuesday.

I suggest that next Tuesday night we concentrate, under the main office vote, on a continuation of your response to the things we raised in our opening statements and the discussion around your responses to our opening statements. On Wednesday morning we could move to envi-

ronmental planning, and perhaps get started into environmental control. On Thursday night we could finish environmental control and get started into utility planning and operations, and whatever is left we can deal with in the half hour that runs over.

**Hon. Mr. Brandt:** I am at your disposal. I raised the question primarily to have the appropriate staff here so we can proceed. Frankly, I want to make the best use of the time we have available. There are some areas you want to get into in detail. I know that landfill sites and acid rain are a couple of those questions. There was a whole series of other questions around that we want to address as well, but maybe they can be done rather quickly.

**Mr. Charlton:** The reason I suggest we deal with the things that were raised in our opening statements next Tuesday night under main office is that, since they are already on the record, we can deal with them and then we can proceed through the rest of the votes. Both Murray and I will have other questions to raise under the specific votes, as well as other members of all three caucuses who may want to come in on a specific item or two.

**Hon. Mr. Brandt:** I have no problem in dealing with that. There is a good possibility that some of the issues that were raised and the questions that were brought up in your opening statements do include the two categories I have already mentioned. We can have staff here to deal with the landfill sites question and the acid rain question and then can go into the others which are covered in your opening statements and the ministry responses to those. Then, if Murray concurs, we can get into environmental planning and environmental control in the next two evenings and then wrap up.

If you can give us some indication of the areas you wish to discuss in whatever time we might have available after that, then we will either have the people here or be prepared to respond to your questions as you raise them.

**The Vice-Chairman:** Agreed. The committee stands adjourned until Tuesday night next.

The committee adjourned at 10:38 p.m.

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**SPEAKERS IN THIS ISSUE**

Brandt, Hon. A. S., Minister of the Environment (Sarnia PC)

Charlton, B. A. (Hamilton Mountain NDP)

Conway, S. G. (Renfrew North L)

Elston, M. J. (Huron-Bruce L)

Harris, M. D. (Nipissing PC)

Hennessy, M. (Fort William PC)

Johnson, J. M. (Wellington-Dufferin-Peel PC)

McGuigan, J. F. (Kent-Elgin L)

Miller, G. I. (Haldimand-Norfolk L)

Nixon, R. F. (Brant-Oxford-Norfolk L)

Treleven, R. L. (Oxford PC)

Williams, J. R.; Chairman (Oriole PC)

**From the Ministry of the Environment:**

Chant, Dr. D. A., Chairman and President, Ontario Waste Management Corporation





No. R-5

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# **Hansard**

# **Official Report of Debates**

## **Legislative Assembly of Ontario**

**Standing Committee on Resources Development**  
Estimates, Ministry of the Environment

**Third Session, 32nd Parliament**  
Tuesday, October 18, 1983

**Speaker: Honourable John M. Turner**  
**Clerk: Roderick Lewis, QC**

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# LEGISLATIVE ASSEMBLY OF ONTARIO

## STANDING COMMITTEE ON RESOURCES DEVELOPMENT

**Tuesday, October 18, 1983**

The committee met at 8:07 p.m. in room 228.

### ESTIMATES, MINISTRY OF THE ENVIRONMENT

(continued)

**Mr. Chairman:** I see a quorum. Committee members, before we start tonight's meeting, we should plan a little bit ahead. We hope to finish off the estimates of the Ministry of the Environment this week. We will have to extend tomorrow by about a half hour and then we can finish our eight hours. I would suggest we start tomorrow at 9:30 a.m., half an hour early.

**Hon. Mr. Brandt:** That is a good idea.

**Mr. Chairman:** Then we could clean up the estimates this week. Is that agreeable?

**Hon. Mr. Brandt:** Otherwise, we will go over until next week.

**Mr. Chairman:** The only thing that is apt to cross us up is that if there happens to be a vote in the House either tonight or Thursday night, we would have to recess. Let us assume that we will plug right along.

**Interjection:** Do you want to take bets on that?

**Mr. Chairman:** No, thanks. So we will start at 9:30 tomorrow morning if that is agreeable to everyone.

As far as next week is concerned, it was my hope that we would begin—and it does not affect every member here—the review of the Weiler report. However, I have been asked by Mr. Wrye of the Liberal Party to hold that off because he will not be available either tomorrow or Wednesday morning.

My suggestion, therefore, is that those who are involved would hear the estimates of the Provincial Secretariat for Resources Development in committee next week. That will be seven hours, which basically would be on Tuesday night, Wednesday morning and Thursday night. We will do that, if it is agreeable, and then go on with the Weiler report. I know a number of you, the critics in particular, are not involved in that but we will go with that the following week. If that is agreeable, we will work on that basis.

I think we now are ready to proceed with the response from the minister.

**Mr. Charlton:** Presumably, somebody has checked with the two critics for the Resources Development secretariat about next week?

**Mr. Chairman:** I have to admit that I have not.

**Mr. Charlton:** Has somebody checked with the minister?

**Mr. Chairman:** I have checked with the minister, yes. Apparently, he has been advised from some source that they will be ready to go next week. If that has happened, I am sure the critics have been advised also.

**Mr. Charlton:** Between now and tomorrow morning, I will endeavour to check with our critic, just to confirm that.

**Mr. Elston:** It will give us two or three days to sort out the difficulties anyway, Mr. Chairman.

**Mr. Chairman:** Right. We will assume that we will go on Tuesday night with the Resources Development secretariat unless this committee gets crossed up and we have to move over to next week to finish these estimates.

**Mr. J. M. Johnson:** Mr. Chairman, there is a quorum bell. If we do not go up to the House, we will not be sitting.

**Mr. Chairman:** You mean me personally?

**Mr. J. M. Johnson:** The opposition felt a quorum call was necessary; I think we should have our men at least come up to the House.

**Mr. Charlton:** Don't you leave, John, or else our quorum will be gone.

**Hon. Mr. Brandt:** Could we proceed?

**Mr. Chairman:** Yes, but now we do not have a quorum in the committee.

**Hon. Mr. Brandt:** The chairman can recognize a quorum, certainly, in recognition of the fact that the questions were raised by the critics of the opposition parties.

**Mr. Charlton:** I have no objection to proceeding if the government party does not.

**Hon. Mr. Brandt:** No, I have no objection to proceeding, Mr. Chairman.

**Mr. Elston:** In any event, Mr. Chairman, I believe the last time a quorum cancelled the sittings in the House our committee carried on right through estimates. I do not see a real

problem. Let us go. I know chairmen have recognized marvellous and wonderful things in the past.

**Mr. Chairman:** I would like to be congenial with this committee. Mr. Brandt, please proceed. We still have a quorum.

**Hon. Mr. Brandt:** Thank you, Mr. Chairman. I thank the critics of the opposition parties for their co-operation in proceeding at this point in view of the circumstances that we do not have the members of the government party here at the moment. I anticipate they will be coming back very shortly. I would like to suggest there may be some value in responding to the questions. I guess the end of that value indicates either that we are in real trouble or that they are going to achieve their quorum.

I was going to suggest, with the concurrence of the other parties, that I deal with each question in regard to those issues that have been raised on an individual basis. Rather than having a long litany of responses going through all the questions at the end of a category, I will simply indicate that I have responded to the question and then open it up for any supplementaries you might have. If there are no supplementaries, then we can continue on to the next question. Obviously, if there are supplementaries we can deal with them in more detail.

If that is agreeable, I will proceed with that formula in mind. I do not want to subject our colleagues in this exercise to a litany of some two hours or more of responses.

**Mr. Chairman:** That is very considerate of you.

**Hon. Mr. Brandt:** Knowing that you are waiting with great anticipation for my two-hour dissertation, Mr. Elston, I want you to sit back and relax. I will answer the questions in as much depth as you would like. However, I will pause for breath once in a while.

First, I think one of the key questions that was raised was in regard to the budget. There has been a considerable amount of discussion about the impact of the ministry's \$32-million budget reduction in the years 1983-84 when compared to the 1982-83 budget. This reduction was only applied—and I want to make this clear to all members of the committee—against the ministry's water and sewage capital assistance program and affected two expenditure components. Those two components were disbursements and direct grants.

The full cost, both loan and subsidy, of water

and sewage projects constructed for municipalities by the province is covered by disbursements. However, since April 1978, new projects have not been accepted under this particular account. For this reason, expenditures, which are restricted to ongoing work, are, quite obviously, winding down or coming to completion in that budget category. The ministry is still involved with some 27 remaining projects in 1983-84. Since they require a total of some \$69 million, the ministry was able to apply almost all—in fact, \$31 million—of the reduction in that account.

The funding needs for disbursements in 1984-85 will be approximately the same as this year but will decline in subsequent years for the reasons I gave earlier. In contrast to disbursements, the ministry direct grants cover only the subsidy portion of total project costs. Since 1978 all new requests for assistance have been channelled through direct grants. In my view, the program has gained wide acceptance by municipal governments in the process. The 1983-84 grants budget was slightly decreased, but only to the extent that allowed all eligible grant requests to be met.

The general state of the economy has resulted in a slowdown in municipal expenditures and construction in the years 1983-84 and, therefore, there has been a very noticeable and very direct reduction in demand and applications for provincial grants. I have no doubt the demand will increase as the economy improves, but the situation at the moment is that, because of a depressed economy generally throughout the entire country, there have been fewer demands placed on my ministry in terms of requests from municipalities.

I have been asked specifically what difficulties might be caused by the reductions in vote 2102, which is environmental planning, particularly with regard to the \$823,000 which, apparently, was cut from laboratory services. In fact, this sum is not a cutback from the budget but simply reflects the difference between what was authorized for the year 1982-83 and what was estimated for 1983-84. The authorized laboratory budget includes an additional \$2.2 million approved during the course of 1982-83. In fact, between the years 1982-83 and 1983-84, there was an increase, not a decrease, in the estimates for the laboratory of over \$1 million.

Another budgetary question that was raised by the critics was why, under the ministry's utility and operations program, the 1982-83 actual expenditures were considerably lower

than the 1982-83 final authorized funding level. The available funding for the program was underutilized by about \$5 million, or just about two per cent, 1.95 per cent.

Most of this underexpenditure occurred in the project engineering activity, which assists in the construction of municipal water and sewage works. The reason for this was the slow economy. That was the reason I gave you earlier in connection with a very considerable slowdown in demands on the provincial grants and subsidies program.

The slowdown in the economy has led to a general decline in construction and, therefore, a decline in requests from municipalities for provincial assistance. Also, there were some additional savings as a result of lower tender prices because of greater competition among contractors. That, of course, is a very healthy sign in many respects because the intensity of competition that occurred with many contractors, in both municipal and in provincial projects, resulted in far more attractive prices.

Perhaps I can end at that point in response to the budget questions and turn it over to Mr. Elston or Mr. Charlton, if they have any questions on that area of the budget.

Welcome, Mr. Chairman, it is nice to see you here. I did not realize we had a change of chairmen.

**The Acting Chairman (Mr. McLean):** It is nice to be beside the minister. Mr. Elston, do you have any questions?

**Mr. Elston:** I just have one quick question. It is a little bit surprising, I suppose, that the reason you are able to cut back in those disbursements on water and sewage projects is that there is a decrease in demand.

For instance, a community in my area, Tiverton, has been after the ministry to provide some funding for the updating and upgrading of its water and sewage systems for some time now and it could never get placed on the management by results profile high enough to allow it to participate in this money. If this money is really available, if there is that sort of a decline, why is that municipality not able to go ahead with its project when you have already told us there has been a decrease in demand for that sort of funding?

**Hon. Mr. Brandt:** I would be pleased to respond to that. It is a very fundamental question. It is one of policy in regard to the ministry's approach to smaller municipalities. With some note of optimism, I can tell you I am looking at

the question, and have been for the past 60 days, of responding to the needs of smaller municipalities, villages, hamlets and the smaller towns throughout the province that have made submissions to our ministry in regard to requests for both water and sewage projects.

Quite obviously, we have some difficulty. If you look at it from a per capita basis, the costs are related to servicing some of those smaller municipalities because they have a lack of intensive development in their communities and because the homes that are being serviced are generally separated geographically farther one from the other. The cost of servicing those municipalities is extremely high.

We have not at all turned our back on those municipalities, Mr. Elston, but it is a question of developing a policy that will respond in terms perhaps of the evolution of ministry policy from the urban municipalities that are essentially now serviced throughout the province.

About 98 per cent of our municipalities are now serviced with water and about 94 per cent are serviced with sewerage. Some are still on septic tanks and on well water, but those are a very small minority. We have, however, moved into some of those smaller municipalities. I share your concern about how to move the smaller municipalities higher on the management by results list, but I can tell you we are looking at it and perhaps we can address the problem you are raising now in regard to the municipality you have concerns about.

**Mr. Elston:** If the \$32 million was cut because it was not demanded, I know of all kinds of small municipalities that would have loved to participate in that program. Some of those in my area, Kincardine, lost access to money to do some work that they were going to be doing—for instance, the village of Mildmay. I am sure John, Gordon and others have all sorts of those municipalities that really would have loved to participate in that \$32 million if for no other reason than that the bigger towns could not be bothered applying for that assistance.

I would very much like to see you come up with a program that will allow some of us who live outside the urban areas to participate in these moneys that are being given back for some other purpose. Apply the program where it is needed. We need it just as badly as large centres.

**Hon. Mr. Brandt:** Not by way of interjecting, although I am quite obviously doing that, but by way of recognizing your concerns, let me simply say that one of the questions that arises is

whether or not you even want to consider servicing some of those municipalities. Whether they would rise to the top on any list is a question that has to remain in the minds of the Municipal Affairs and Housing people and our own ministry in regard to the servicing of those municipalities.

Perhaps, in fairness to them, there are some municipalities that should not be serviced; they should not have water and sewerage because they have adequate well water and are adequately serviced by septic tanks. I agree with you, however, that there are municipalities that fall into a grey area where they are not, in the fullest sense of the word, an urban municipality, but are running into what I call conflicts between the septic system or perhaps other contaminants that may be leaching into the water supply and the need for a full sewage system.

I am quite prepared to look at policies in regard to that. I say quite openly to you, and to Mr. Charlton as well, I would appreciate your input on that, recognizing, as I know both of you do, that there are limitations to whatever financial resources this ministry might get. We are looking at the broad question of servicing those municipalities. In fact, in a speech on Monday morning to the Association of Counties and Regions of Ontario I committed myself to a very specific policy of redirecting some of our attention, not totally, but refocusing our attention on the very municipalities you are raising in your question.

I am aware of the concerns and I would like to address them. I would appreciate your input in regard to the policy which would take into question things like which municipalities we should be servicing. As an example—and I only raise this as one example—should we be servicing seasonally occupied residences? Is the best and the most appropriate use of provincial dollars to go into what are really recreational communities? We have had requests from communities like that.

I am not saying necessarily we should not, but I raise it as a question and I would like you to think about those kinds of issues in recommending a policy direction for us.

**Mr. Elston:** I guess the other question I have with respect to that is, are you assured, having once cut back that \$32 million, that you as a minister can gain access to that sort of funding to take into consideration an increased demand which you are probably going to have from areas such as Metro Toronto to deal with the pollution problems we have here, for any num-

ber of smaller communities along Lake Huron, for instance, where there have been some difficulties, or any of the other beach areas where they find the septic system may be causing the problem?

I suppose the question then becomes one of how many of these communities are going to be able to have access to federal funds that are designed specifically to alleviate pollution of the Great Lakes system. We have to know you are going to be able to get that money for the projects that apparently are more in need now than previously.

**Hon. Mr. Brandt:** I can tell you that our ministry is quite anxious to participate in any federal projects or in any opportunities that may present themselves by way of offers from the federal government to assist us in environmental projects of whatever kind.

Quite often, we redirect our attention within this ministry. As a matter of fact, the member for Algoma-Manitoulin (Mr. Lane) has a project in Spanish River that we are looking at; it involves the offer of some federal financing along with provincial participation on a sewerage program. It just happens that he is here tonight, but it is one we are looking at. So we will take advantage of any federal moneys that are available.

In response to your second question, which I think is a very opportune one because we do want to deal with the beaches question a little later on, I intend as minister to take a very even-handed approach to the demands of the larger municipalities, which quite obviously can take a major chunk of our budget, and balance those off against the needs of smaller municipalities. I am looking specifically for a policy direction on the question of the smaller municipalities. Quite frankly, I am not going to oversee this ministry from the viewpoint of looking after the needs of only the larger municipalities.

At the moment, we do not have before us any large demands—from the Metro Toronto municipalities, as an example, in connection with the beaches problem—other than the work that we have in hand and that I will speak specifically to a little later on in our presentation this evening. We have been doing the work, as you know, in regard to the beaches study, the Humber River and providing the local municipalities in the Metro area with the information they require to put their projects together.

There is a very substantive lead time between the study we are doing and the kind of work that must be undertaken to reduce the bacteria

problem on the beaches. It is not something that we or the municipalities can give you a very quick reaction to. Time is required to put projects together to determine where the dollars are going to be invested and what projects are going to be carried out to overcome, it is hoped, the problem we have experienced this past summer. It is not to be done overnight, because these are massive projects involving many millions of dollars.

**Mr. McGuigan:** Can I ask a supplementary? In assessing these small hamlets and villages, where would you place those that now have water supplies, for which they are very grateful to this province? Having a water supply has now led to sewage problems, especially in some of these seasonal places which, because of the geography, are often located in sandy, low-lying lands that allow seepage out into the lake. Do they have a high priority as compared to another village that is looking for water but does not have water, whereas one has water but now needs sewage works?

**Hon. Mr. Brandt:** The main criterion in all instances, with or without the water question being involved, is the question of dollars. If there is a question of health in regard to the supply of water or in regard to sewage, that is the main criterion for this ministry. If we have to overcome or attempt to combat an identifiable health problem, then I can think of no higher criterion that we would have in establishing priorities than to move into a community that has that kind of difficulty to be addressed.

**Mr. McGuigan:** I am thinking of the hamlet of Shrewsbury in Harwich township, in Kent county, which has water but which now has a serious sewage problem. I would certainly think health would figure very largely in that.

**Hon. Mr. Brandt:** Have they made application for any assistance?

**Mr. McGuigan:** I believe they have.

8:30 p.m.

**Hon. Mr. Brandt:** If you have individual projects like that, I do not know whether you wish to deal with them in the budget discussions, but I would be most happy to look into them and try to determine for you where they are on the priority list and what we might be able to do about them.

**Mr. Elston:** It is kind of tough waiting for the health problem to break out. I guess that is what a lot of them are trying to prevent.

**Hon. Mr. Brandt:** We are as well; and, quite frankly, there are very few instances that one can point to. In a province with a population base of 8.5 million, but larger in area than the entire continent of Europe, one would have a great deal of difficulty pointing to, not necessarily in all instances, the most perfect water or the most perfect sewage system one might wish for. But there is a direct health problem related to that, where we find that we moved in without question, as we did in Perkinsfield to supply bottled water, and as we have with other areas where we have questionable landfill sites or a leachate problem. We will continue to do that. Cost at that particular juncture is not a relevant consideration; the question is preserving the health of the community.

I do not disagree with you. There are instances where we would all like it to be better. But when one looks at the reality that in this province we have 94 per cent of our urban population covered by a very sophisticated sewage system, while in Quebec—I admit it is before they bring on the large plant in Montreal, which is coming on stream shortly—they have something like seven per cent on sewerage. You can see the vast difference between where we are at this point in time and where our sister province is. They have established other priorities in that province.

This province has had a high priority for environmental control programs and we will continue to have that, I want to assure you of that. But the reality is that there are unserved areas, and I want to address those areas. Mr. Elston, you and your colleagues raise a most opportune question, I think, because we are looking at that whole question.

**Mr. G. I. Miller:** Mr. Chairman, I have a supplementary on that too. I am glad to hear the minister indicate he is going to try to change the attitude of municipalities to improve their facilities. I do not know whether the minister is aware that there is a pumping station in Nanticoke capable of supplying 450 million gallons a day.

**Hon. Mr. Brandt:** How many?

**Mr. G. I. Miller:** Its capacity is 450 million gallons a day; it also has to serve Kitchener, Brantford and Stelco. Am I correct on that figure?

**Hon. Mr. Brandt:** That figure of 450 million gallons a day sounds too high to me, just off the top of my head.

**Mr. Caplice:** The intake pipe for Haldimand-

Norfolk is sized for that volume; that is the water intake size.

**Mr. G. I. Miller:** That is correct.

Interjection.

**Mr. Chairman:** Would you mind coming up and repeating that, please?

**Hon. Mr. Brandt:** For purposes of Hansard, Dennis Caplice is the assistant deputy minister.

**Mr. Caplice:** Mr. Miller is right. The intake pipe for the Haldimand-Norfolk water treatment system is that size, but it is not pumping currently that amount of water either to the industrial industries that are there or to any of the communities. The pipe is that big.

**Mr. G. I. Miller:** What is the pumping capacity now? Is it 100 million gallons?

**Mr. Caplice:** I think it is 100 million gallons, sir. It is supplying Stelco and Texaco plus the communities there.

**Mr. G. I. Miller:** I know a lot of provincial money went into that, something like \$20 million, give or take a little bit. But they have extended the line—as a matter of fact, it goes by within 400 feet of our gate—down through Hagersville. I recognize that 96 per cent of the people in Ontario have access to excellent water. This is excellent water, but the thing that really concerns me is that we can live along that line as it goes on to Hagersville, but we cannot hook into it.

I am not asking for myself. If the policy is to not make water available to everybody on the line, I do not want it. I do not want special privileges, but I still say we should have access to it and there should be a program that gives that. I have contributed to the line in terms of the money that has been provided there.

There are small municipalities such as Nanticoke exactly alongside of the line and they do not have water. They are living within the shadow of Stelco, Hydro and Texaco, and yet they use cistern water, which is affected by the fallout. They have all the latest technology at Hydro, Texaco and Stelco; I am not denying that. But there is still fallout there. If you have to live in those conditions, you should get some reward by being provided at least with good water. With regard to sewers, there is not a high enough concentration of population that septic tanks would not work in that field.

We also have other, smaller municipalities, such as Selkirk, Fisherville and Cayuga, which do not have access to the line either and are just taking their water out of the Grand River. Sure,

it has been recycled several times again as it comes down the Grand from Galt, Kitchener and the whole bit. There was a problem there maybe three years ago with—

**Mr. Elston:** Just a couple of years ago. The spill at Guelph, you mean?

**Mr. G. I. Miller:** No. There was another chemical that was involved, and I do not have the name of it.

Anyway, I still say that since the line is there and we need programs to provide employment, why should we not have access to it? Again, I think it is a matter of the policy described by the ministry that we are encouraged that this will happen, because we build for the future, first of all. But we should have access to it. Why can we not get water directly from that line, at least the people who are living along the water line?

I know the reason. The answer we get is that once the main lines are put in by the ministry, the distribution is up to the region of Haldimand-Norfolk.

**Hon. Mr. Brandt:** Right.

**Mr. G. I. Miller:** I understand that. But the region is not going to take it over if it is going to cost too much money; you realize that as a former municipal politician. So it has to be a plan that is devised by your ministry to encourage me or my neighbour to hook on to that line, which goes right by the door.

I would like to leave that with you. We have discussed it before with the ministry, but I knew you were not aware of what is available there and the investment has been put there in the area. I just hope we can come up with a plan so that maybe some time down the road we can get access to it.

**Hon. Mr. Brandt:** The ministry's policy has always been to optimize the use of any capital investment we make, whether it be in a sewage treatment plant or in a water treatment facility. There is no reason we would not want to encourage tapping into a line that is there, other than that one has to recognize that in some instances it is a question of determining whether you want to encourage growth in certain municipalities that are not planned and in a position to absorb and handle any growth that might occur. Sometimes you may be creating an even bigger problem by servicing, in the total sense of the word, certain communities that are highly rural in nature and more agricultural than urban.

**Mr. G. I. Miller:** But do we not have a right to have first-class water? I think it is the right of everyone in Ontario to have first-class water if it

is not already available. Many of the areas are being served by cistern alone. You have to transport water in tank trucks.

We have access to the water from that line; I am not saying we do not. That is one step forward that even the farmers, when it comes to utilizing it for spraying purposes, will have access to it. But you still have to truck it. Why the hell—I mean, why can we not just put a little hole in that line and hook on to it?

Interjections.

**Hon. Mr. Brandt:** I liked the way you asked the question the first time. "Why in the devil . . ." Isn't that what you said?

**Mr. G. I. Miller:** I do not want to be unparliamentary.

**Hon. Mr. Brandt:** Your point is well made. We have made note of it, and it is really part of the policy I was trying to communicate to the member for Huron-Bruce (Mr. Elston) a moment ago. We are trying to come to grips with where the lines of delineation are with respect to which communities should be serviced that are pseudo-rural in nature and which ones should not be serviced, because there are some complications. I would like to talk about it.

**Mr. G. I. Miller:** It was a good supplementary, and I wanted you to be aware of what is there.

**Mr. Chairman:** If you do say so yourself.

**Hon. Mr. Brandt:** I think it was an excellent supplementary.

**Mr. G. I. Miller:** That is right, and I wanted you to know, because I like your attitude, and maybe something will happen. That is the key thing.

8:40 p.m.

**Hon. Mr. Brandt:** Not only do I think something will happen, but also I promise you something will happen, because I am concerned about some of the very same issues that you are raising and that Mr. Elston has raised. Coming from an urban area, Mr. Charlton is going to raise an entirely different type of subject.

**Mr. Elston:** Your decision, though, does determine what planning a municipal politician will make in his community if you decide not to service it.

**Hon. Mr. Brandt:** I appreciate that, and it has to be co-ordinated, if I may say so, with the Ministry of Municipal Affairs and Housing, with official plans and with the whole planning policy of the community. That is something that has to be done in a proper, total context. That is all I am saying.

**Mr. Elston:** Who is going to grow in Ontario? That is the question.

**Hon. Mr. Brandt:** And where does it make the most sense?

**Mr. Charlton:** Mr. Chairman, I notice the Minister of Transportation and Communications (Mr. Snow) is at the back there. I assume he has some questions for you later on this evening about environmental assessments on provincial highways.

**Hon. Mr. Brandt:** I certainly hope so.

**Mr. Elston:** He wants water for the domed stadium.

**Hon. Mr. Brandt:** I cannot understand why Mr. Snow never raises the question of environmental assessments on roads in the great province of Ontario.

**Mr. Charlton:** Yes. He is shy of that one.

Seriously, I would like to respond to a couple of the questions you raised in your response and ask a couple of questions myself as supplementaries to the topic we are on. You mentioned that there are some municipalities which because of lack of density of development are strictly rural in nature and where there is no problem or question. I do not think any of us would disagree with that in general terms.

You also mentioned that there are a number of municipalities that fall into the grey areas. I would like to suggest that most often those grey areas are created in communities where we have already exceeded the capacity of those communities to handle septic systems; what causes the grey areas is the constantly wet ground. I know of a couple of such areas in the recent past that have now been dealt with and the soil is no longer grey and the communities do not smell any more.

On that aspect of the issue, you raised the question of whether we want to be servicing seasonal residences. Basically, I think you were referring to cottage areas. That question has to be answered in a number of ways. You seem to lean fairly heavily on the question of related health problems. In any area where there is a health problem related to the lack of sewer systems, that is something you have to deal with. I would not argue with that. But I think the criterion has to go a little beyond that. I would like to throw out a few examples since you were asking for our opinions on a direction in that kind of area.

I want to tell you what I have seen happening, at least in some of the areas of the province that I am familiar with. In the Sauble Beach area, for

example, where there is fairly intensive seasonal residence, if you drive through that area this fall you will see literally hundreds of lots for sale in an already densely cottaged area.

If you walk along the beach on a really hot day in the summer, there are very small streams that run across the beach. Basically those streams are composed of ground water that has surfaced slightly above the lake water line. Those creeks surface anywhere from 20 to 250 yards away from the water line; some right at the road, some behind the road in among the cottages. Basically, ground water is flowing through the septic systems of that fairly densely cottaged area.

You can start to see and smell the problems in those little streams. It is not significant enough at this stage to have seriously contaminated the lakefront as a result, but you have an extremely important recreational area there, and I do not think we would want to see a very important recreational area like that end up in the kind of situation we had here with the Toronto beaches, several beaches in Hamilton and some of the beaches further south on Lake Huron this summer.

So you have to look at a criterion that is a little more extensive than just strictly health problems related to drinking water and other things if you have a major area such as that—and there are dozens of them in this province; they are all along the whole shore of Lake Huron and all around Georgian Bay and there are hundreds more of them on the small lakes in the Muskoka, Parry Sound and so on—where it reaches a point where that area is no longer capable, even if it is just a seasonal residential area, a cottage area, of handling the number of septic systems that have gone into it.

Because that whole tourist sector is such an important enterprise in this province, not only for the citizens of Ontario but also for the others who come from outside of this province, specifically from south of the border, and bring significant amounts of money into this province, we have to look seriously at protecting those recreational areas as well as the job we do in cities and towns where we have permanent residences. It does not make sense for us to allow major recreational areas such as that to go by the board because we are not prepared to put in sewer systems when they reach that point.

Those are the kinds of things you have to look at with respect to sewer systems even in a cottage area. I am not an expert. I do not know how many years it will be, in the Sauble Beach

case, for example, before what is happening there becomes a real problem. It is not yet. But with the numbers of lots that are available for sale, theoretically it could become a problem very quickly if those lots are bought up and built on, and I think those kinds of things have to be looked at.

I would like to go back to the initial part of your comments on sewage systems in smaller municipalities. I am aware of a particular case in Georgina township, with which you are probably familiar, and, if not, your staff is. I am not totally familiar with all of the problems they have encountered there, but what you have is a sewer system that is at some stage in its development; in other words, it has begun, but it is not complete. They have had serious cost overruns and they have run into a number of significant problems.

What happens with that situation in Georgina township? Where do we go from here? They have no money left.

**Mr. Elston:** Cost overruns are not an unknown thing in these projects. In fact, in my remarks earlier in the year I addressed some questions about how those overruns developed, since your ministry is overseeing most of the construction.

**Hon. Mr. Brandt:** Overseeing most of the construction does not mean that we are always in a position to guarantee absolute pricing of any particular project. That sometimes falls beyond the ability of the ministry to control, for reasons that I think are obvious to all of us here.

**Mr. Elston:** But you are always in a position to inform municipalities as you are going along that they—

**Hon. Mr. Brandt:** Without question. I can tell you that if there is a cost to be paid or a price that is assessed against the project as a result of that cost overrun, we in this ministry pay a portion of that price as well.

The question, undoubtedly, that you are raising in respect to Georgina—and I want to get to that specifically in a moment—is what obligation does our ministry have over and above the normal subsidy or grant participation in connection with a particular project and, I guess more specifically, if a municipality is in trouble.

In regard to the question by the member for Hamilton Mountain (Mr. Charlton), with the agreement of the committee, I would like to spend just a brief moment on the management by results system, because that was raised by the

member for Huron-Bruce (Mr. Elston) in terms of the assessment of the priority of the particular project. Mr. Erv McIntyre, whom I would like to call forward to speak on MBR, can also address the Georgina township question in some technical detail. Perhaps I could ask Mr. McIntyre to come forward now. Could you try Georgina first and then go back to the MBR, if you would agree with that?

8:50 p.m.

**Mr. McIntyre:** Mr. Chairman, I am Erv McIntyre from the environmental approvals and project engineering branch, Ministry of the Environment. May I deal philosophically with the question the gentleman here raised, which is cost overruns?

The kind of thing that really happens, and this is what happened in Georgina, is that one starts out going to the Ontario Municipal Board with what is basically one's best estimate. One goes to the board with an estimate and it is probably about a year old by the time one goes to the board, by the time one has the consultant's estimate, and by the time one gets it through council and has the bylaws prepared. The board schedules a hearing. There may or may not be objections. The hearings proceed. One gets a decision and starts construction.

With something like Georgina, it is a very big project and has a lot of contracts. One starts with the first contracts one can get going. In Georgina, going back through the files, what we chose to do was to go ahead with a number of the watermains and sewer collection systems in one part of the project area. It is separated by a river; part is north and part is south. We chose to go with the northern part first and the building of the water plant.

We are now about eight years from the time we got OMB approval. We are still calling our tenders on a public basis, public tenders that are open with public bids, but how do I stop inflation from taking place? I cannot do it. If I am still going to serve the same area, I must accept the best bids I get from the public domain.

In the same sense, being fair to the branch I am now with—I have been with it only about a year—looking back at the history of this project, it has been going on a long time and it did not just happen. The bids were out. They were in the public domain. The municipality knew they were out there. They knew what the bids were. They can add the same way as I can add. They could see the costs going up.

Last year, we sat down with them. It had some

complications. We hit some horrendous soil conditions, unbelievable soil conditions, in that area on the Queensway in Keswick. Then we got hung up with a couple of contractors. What does one do to resolve a couple of contracts? One sits down and tries to negotiate a settlement and a way to proceed, because that is an integral part of the system. One cannot proceed without it.

**Mr. Charlton:** I am going to stop you there and ask a couple of questions.

I have not been too involved with the sewer system in Georgina. I have been to a couple of public meetings there and most of what I know about the sewer system is hearsay in the sense that I picked it up verbally from local residents during the course of those public meetings. I was involved in a couple of other issues there.

At any rate, you mentioned some really terrible soil conditions you ran into. I would assume from that you are talking about soil conditions which caused some fairly serious engineering problems.

**Mr. McIntyre:** Yes.

**Mr. Charlton:** Obviously the municipality must have done some design work and studies before it proceeded to put in a major system like that. Are there requirements in terms of the degree to which things like that are looked at when a system is planned?

**Mr. McIntyre:** Perhaps I can talk in some kind of generalities about the way one designs a water system, to deal with only one part of it. One starts out basically with a report on the concept. Where can I get my water? What do I have to treat it with? Who am I going to deliver it to? Where do I put my storage? What kind of dollars am I looking at in a general sense?

If that is still within the bailiwick of affordability, because that is what one wants to end up with, one then goes into the next stage of it and one will do some very preliminary soil work. I say very preliminary because, when one calls a contractor, one always makes the contractor responsible, regardless of the information that is available. One tells him what is available, to the best of one's knowledge, but he is responsible for the bids for completing that work.

The only problem one gets into is that, if down the line he encounters very difficult things, one has to be reasonably fair. If he encounters things one did not know about either, one has to reach some kind of sawoff to get the work onward. Otherwise, one is involved in a long court case and nothing happens.

**Mr. Charlton:** What I was trying to get at when I put the question to the minister is that you have a system that is partly in.

**Mr. McIntyre:** They have water now in the north half of the community.

**Mr. Charlton:** You have some cost overrun problems that obviously relate to engineering problems, and you have some cost overrun problems, as you suggested, that relate clearly to the passage of time and inflation.

What I was trying to get at is, what does that now mean for Georgina township? Does it mean the thing stops and sits because it has run over so far? I do not have dollar figures but I understand it is quite a considerable overrun.

**Mr. McIntyre:** In order to protect the municipality, we have a policy in effect that says where it looks as if we will be exceeding the OMB approval by more than 25 per cent we will cease work, take the information back to the municipality, explain to it that because of this it should go back and seek approval for this extra expenditure. That is what has happened at Georgina.

**Mr. Charlton:** They have to go back to the OMB for additional approval?

**Mr. McIntyre:** Yes. In addition to this, I should explain to you that we are in the process of converting the project from a provincial project. I do not know whether you are familiar with the provincial projects in which we are largely involved. I will tell you how old this one is. Essentially, we have not created a new provincial project since 1978 and this is a provincial project.

We are basically involved in an old project. The project basis was that one went on with construction on the provincial basis and, as soon as things got built one started accumulating interest on them because the debt was out there.

It looks to us as if these debts will kill the municipality if we do not convert to an upfront grant project. We made a financial proposal to them about two months ago. They have accepted that proposal. We are in the process of formalizing the conversion of that project from a provincial project to an upfront grant project in order that it will be more viable for them. It will still have to go back to the OMB.

Interjection.

**Mr. McIntyre:** Yes. Do not get me wrong; our share has been going up. We have accepted that inflation happens.

**Mr. Charlton:** Basically what you are saying

is, assuming they get OMB approval for their share, this thing will go ahead. I also assume you are saying that because it is being converted to an upfront grant project, they will be getting more provincial money.

**Mr. McIntyre:** No. They will not be getting more provincial money but there are interest charges attached to that. Therefore, there will be less for them to pay back.

Interjection.

**Mr. McIntyre:** The remaining 25 per cent; it is approximately a 75 per cent subsidy.

**Mr. Charlton:** One way or another, though, this project will proceed.

**Mr. McIntyre:** Yes.

**Hon. Mr. Brandt:** I was going to suggest that the other area of this, which really deals with prioritizing the projects, is one that comes up on a frequent basis and that is the MBR process. I wonder if you could briefly discuss that and perhaps some questions from the committee that might be related to that answer.

**Mr. McIntyre:** I can basically talk about both ends. I was a regional director for eight years and now I am a head office director.

One starts off basically with the field staff sitting down with the municipality and agreeing there is a need to do something in this part of the community, or perhaps it is all of the community if it is a relatively small community.

The field staff of the ministry in the regions will carry out a survey. Then they will go back and sit down with the council. With the council, they will agree that it is necessary to do something because these are the kinds of results we have. If it is 40 homes, maybe 30 of the wells have high coliform counts, high iron levels, high magnesium or something that creates a situation which is not too good and they think they would like to have something better.

9 p.m.

Then a form gets completed and the form basically relates to three criteria, although there are a number of questions in it. This form is completed by our staff based on the survey they had done. The three criteria are basically health, environment and growth. I cannot remember exactly, but I think there are about 20 questions split into these three categories. Under growth, there are things like, "Have you had a subdivision turned down because your water is bad or your septic tanks are overflowing?" Then there are these kind of things: "Do you have an impedi-

ment to your growth? Is your water or your sewage system one of those impediments?"

The completed form is sent into a committee at head office and that committee consists of four people from head office plus three people from the regions. They sit down and evaluate this proposal. The purpose of this committee is to impart some objectivity to it. The guy from the northeast, where I am from, does not get all his projects. There is one of the gentlemen from the northeast now, Mr. Martel. He does not get all his projects in Sudbury just because Erv McIntyre is a good talker, but the committee adds some impartiality to it.

They derive a number. It is basically a numerical ranking system and if you can show you have a health problem because you do not have this, or if there is an environment problem in your community or a growth problem, you will get a high enough number that the project will be funded.

**Mr. Chairman:** Are you satisfied, Mr. Charlton? Thank you, Mr. McIntyre. Moving right along.

**Hon. Mr. Brandt:** Thank you, Mr. McIntyre. I appreciate your assistance on some of those questions.

The next area I wanted to deal with was an area that has received a great deal of attention recently and that is the question of the beaches. I suppose the key question that has been asked in regard to the beaches is why the ministry had a \$32-million reduction in its budget and could that \$32 million not have been used to resolve the beach contamination problem that occurred principally in the Toronto area, but also in some 10 per cent of all of our beaches throughout Ontario during the course of the past summer.

First of all, at the time of 1983-84 estimates we did not know the extent of the beaches problem. We had no forewarning and no advance indication that we were going to have a problem. Consequently, we did not provide any special funding. Even if we had known, I want to say to the committee the \$32 million could not have been used because of the necessary lead time, and I alluded to this earlier. It is necessary to put some of the corrective actions into actual effect and there are several reasons for that.

First, it takes time to investigate and to determine the appropriate mitigative measures that are necessary. Second, negotiations have to be conducted with the municipalities involved as to what corrective measures are necessary, as well as the costs and the schedules of those measures. When you are talking about major projects, in this case sewage projects, engineer-

ing design is required for corrective works. In some instances, environmental assessments may be necessary and obviously contracts have to be let for necessary construction and it takes time to build the projects.

Much of the beaches pollution, as we know, comes from urban drainage problems and such problems are and have been essentially the responsibility of the municipalities to resolve. However, urban drainage problems are not eligible for financial assistance under present ministry policy. We are at the moment examining our policy and we will be holding further discussions with municipalities in regard to this question.

While on the subject of the beaches, I should mention that other ministry actions which will help to deal with the problem include giving grants of up to 15 per cent towards the cost of building sewage treatment works and major trunk sewers owned by municipalities such as Metro Toronto. These funds have always been available as required. For example, Metro Toronto has received—

**Mr. Elston:** Did you say 15?

**Hon. Mr. Brandt:** That is right, it was 15 per cent for trunks and sewage treatment. For example, Metro Toronto has received about \$28 million over the past five years to assist with sewage treatment projects worth a total of \$187 million.

The Toronto area watershed management strategy project, which is examining the Don River, the Humber River and Mimico Creek, as well as the beaches at this time, because we have expanded it to include that area, is intended to identify significant sources of pollution and to develop a pollution control strategy.

Interjection.

**Hon. Mr. Brandt:** That is included in the strategy, yes. I want you to know that my hearing is very good.

**Mr. Martel:** I thought you would have that all down pat without having to read it.

**Hon. Mr. Brandt:** Actually, I do have it down pat. I am quite prepared to talk about it without the notes, but I thought—

**Mr. Martel:** You sound better without notes.

**Hon. Mr. Brandt:** I want to say this to you, Mr. Martel. Without notes I may carry on forever. With notes I know there is some terminal point to this discussion.

**Mr. Martel:** When you get to the end of the page, you shut up, in other words.

**Hon. Mr. Brandt:** In regard to the beaches, the cost of the study project I have been talking about in 1980 was \$50,000 and in 1982, \$427,000. Projected costs for 1983 are \$323,000. The total amount for the whole study, which is expected to be completed by 1985, will be \$1,230,000.

In addition, and as a result of the problem we have experienced during this past summer, my ministry has taken the initiative of investing another \$500,000 in the study project to augment that particular work for the years 1983 and 1984.

Admittedly, the project has some long-term goals. For example, when problem sewers are identified, municipalities are given the information so that those problems can be addressed and dealt with. The inclusion of municipalities on the technical committees which were set up to guide the project provides for this close working relationship.

I should add, if I may digress for just a moment, that there has been some criticism about the lack of communication between the province and the local municipalities, those in the Metro Toronto area in particular. I can assure the members of this committee, and I want to take this opportunity to do so, that there has been no lack of communication whatever.

To this point, the Metro Toronto municipalities have been aware of every step we have taken in regard to the study we have undertaken. We are providing them with working information on an ongoing basis and we are doing that in anticipation of the municipalities being able to respond expeditiously to the kinds of concerns that have been raised, first, by some of the members of this committee and also generally in connection with the whole question of the beaches problem.

**Mr. Charlton:** You should not blame it on the post office, either.

**Hon. Mr. Brandt:** I have already blamed it to some extent on the seagulls and the seagulls have not responded in the negative, so I assume that they are partly responsible. I have also blamed it on some of the domestic animals in the Toronto area and they, too, are partly responsible. I have heard no delegations from that sector of the community. So on both of those fronts I assume I am on reasonably safe ground in saying that they are contributing to the faecal coliform counts.

**Mr. Martel:** Have you heard from Ethel?

**Hon. Mr. Brandt:** Not recently; on other subjects, yes.

At this point I think there may be some value in my calling forward Steve Salbach who has been involved with our ministry's efforts to resolve this problem. I am cutting through some of my notes and moving on to another part of the program. I think Steve would be able to put into context the very serious work we are undertaking, the kind of effort our ministry has made in attempting to come to grips with what is a very complex and difficult problem.

Mr. Chairman, with your agreement and that of the committee, I would like to call Steve forward to give us a general overview of the beaches problem and then we would be happy to respond to any questions on the part of the committee.

Interjections.

**Hon. Mr. Brandt:** You agree with what I had to say, of course.

**Mr. Elston:** The gull is one of our protected birds; you are making nasty comments about one of our protected birds, that is what you are doing.

9:10 p.m.

**Hon. Mr. Brandt:** They are protected by the federal government, not by the provincial government. I do want to say they are a contributing factor to the bacteria problems and to the faecal coliform count.

**Mr. Elston:** So are the geese.

**Hon. Mr. Brandt:** The geese, too. I am not singling out the gulls other than I think we should pay some attention to the gull problem, as did Dave Winfield in one of his exploits this past summer.

Mr. Salbach is here now to talk about the beaches.

**Mr. Chairman:** Would you tell us about the beaches, please?

**Mr. Salbach:** I am Steve Salbach, water resources branch, Ministry of the Environment.

Thank you for the introduction, Mr. Minister. You have certainly covered the subject already quite well, but I hope I will be able to fill in a few blanks as I go. I intended to use the overhead projector. However, it seems somewhat awkward to use it, so I think I will just speak from some of the notes I have here.

As was indicated, the Toronto area watershed management study was started in 1981. In fact, it was started at the request of the municipalities in the Toronto area which indicated to our ministry that the bacteriological quality of these rivers, the Humber and the Don, was such

that there was cause for concern. They wanted the ministry to guide them as to what they should be doing to try to control the pollution problem they saw.

So in 1981 we started the study. Its principal goal was to prepare a comprehensive water quality management plan for the watersheds I have mentioned, the Humber, the Don and the Mimico. Of course, at that time the beaches were not an issue. The study, therefore, proceeded and covered the three watersheds. It did not include Lake Ontario. As some of you know, in April 1983 we issued a report on the first phase of this study, which was, in essence, a review of water quality information that had been collected over the last few years and was augmented through the Toronto area watershed study.

The general plan for this work was, first, to do phase 1, which I commonly refer to as the case line study portion, and then move into phase 2, which is the Humber River, and then into phase 3, which is the Don River. As part of the Humber River phase, we are looking at Mimico Creek. The sequence within each one of these phases was to do planning, data collection and the final report, or the pollution control strategy as we refer to it.

I think the minister already covered the budget. The total budget for the study is \$1.23 million. The study is governed through a steering committee, an overall study co-ordinator and two technical committees, one dealing with water quality and the other with pollution control, that is, the sources, the sewers, the discharges.

All three committees have representation not only from our ministry but also from the Metropolitan Toronto and Region Conservation Authority, the Metropolitan Toronto government, the city of Toronto, North York, East York, all the cities and boroughs of the greater Metropolitan Toronto area, as well as the regional municipality of York.

As I think I mentioned earlier, the initial study encompassed a review of all water quality information we had for the three watersheds, the Humber, the Don and the Mimico. When we came out in May 1983 with our work, it became quite obvious that there was a very clear gradation in water quality as we went from the upstream reaches of the rivers to the downstream reaches. The upstream reaches, in essence, showed a water quality that perhaps had some elevations in nutrients and, in some very iso-

lated instances, bacteria, but generally were of satisfactory water quality.

As we moved downstream, below say Highway 7, we started to see the impact of some of the urbanization with some elevated metal concentrations. As we moved further downstream, below say Highway 401, it became quite evident that the contamination was becoming more serious and that we had, in addition to the metals, some organic contaminants.

This particular problem of contamination in urban streams is one that is somewhat perplexing when we look at the fact that about 25 sewage treatment plants were removed from these watersheds over the last 30 years. In other words, we removed sources of pollution. When we look at the sewer separation program, and there is an ongoing program by the municipalities of sewer separation, we would expect some improvement in water quality.

Of course, when we looked at this particular aspect carefully, there were improvements in water quality on these watersheds. When we looked in terms of phosphorus and biochemical oxygen demand or turbidity, there was no question that there was improvement; but when we looked at bacteria, there was not. There was, in fact, some deterioration over time. The question is why. One possible answer would be increasing urbanization which counteracted to some extent the removal of some of the sources of pollution I just mentioned.

We moved from that information into the Humber River phase. It was then decided to concentrate on the urban areas, to concentrate the analysis on the bacteria, the metals and organics and to take direct abatement actions where we found it immediately. As the minister already mentioned, we have the municipalities on our committees and we have a close working relationship with them. Whenever we find a pollution problem, we solve it as we go.

The Humber River survey involved some 620 outfalls. It is no mean task trying to locate these outfalls, sample them and analyse and find where the major pollution problems are. As you know, the data that was collected at that time made clear there were 51 outfalls in that particular area which showed high bacterial contamination.

It was July when the beaches problem erupted. On July 21 Sunnyside beach was closed. The ministry immediately went out and surveyed some of the beach areas and some of the outfalls in the Humber River. We issued a press release in which we published the survey results. We

established a special task force for the Toronto waterfront to look into the problems of the Toronto waterfront. It became quite evident from the sampling we did at that time that the Humber River, unquestionably, was one fairly significant contamination source when it came to the Sunnyside beach. The data quite clearly showed the Humber River to be contributing.

I have some pictures here which perhaps I should pass around. Just for your information, you can see quite clearly, as the Humber River comes out into Lake Ontario, it is caught by the breakwall and moves right behind the breakwall and east towards Sunnyside Beach. I have some aerial photos that show the very same thing taken at some other time.

Now comes the question of why we have the problem. Who can we blame? We talked about the sewers. There were the bathers, the ducks, the geese and the gulls, the Humber River, the Don River, possibly the bacteriological sampling program or the bacteriological standard. The sewage treatment plants were mentioned as possible reasons, and also the pleasure boats; the hot weather, the dogs, the cats and the wildlife. The municipality, the ministry and the medical officer of health were blamed as well.

9:20 p.m.

The real problem is that we really have not got a clear idea of exactly which source is the most significant one. They all probably, in one way or another, contribute to this problem. In terms of the Sunnyside beach, there is no question in our mind that the Humber River is a significant problem, and some action has been proposed in that context.

As I mentioned, we have a special waterfront committee, a special task force that is looking into the problem of the beaches. It is what I commonly call a short-term action committee, a committee to look into and implement as fast as possible things that can be done within the next eight to nine months—in other words, before next summer.

With respect to the options, and they are more than options, some of the things that are being carried out include an outfall inspection and sampling program. I have mentioned the Humber River diversion before. The elimination of combined sewer overflows and combined sewer overflow disinfection are options we are looking at, and also year-round disinfection of sewage effluence; bird and canine control, catch basin cleaning, pollution from pleasure craft. In fact, we have looked into the latter

very carefully already and we do not consider pleasure craft to be a significant source.

There is a question of optimization of the interceptor sewers. This is a Metro responsibility. As you know, I am sure, the city of Toronto has contributed \$120,000 towards the cleanup and we have asked the municipalities in which sewers were identified as problem sewers and where the Humber River flows to look into illegal connections.

I will stop at this point. Do you wish to get into the standard-setting process? Do you want Ivy Wile to come up and give a brief description of the bacterial standard-setting process?

**Mr. Elston:** I have just a couple of questions.

**Mr. Chairman:** Excuse me. I have a couple of names down here, Mr. Elston. Mr. Watson and Mr. Martel. Are your questions on what we have heard about?

**Mr. Watson:** My question concerns standards, yes.

**Hon. Mr. Brandt:** It is related to beaches, if you are talking about faecal coliform counts and standards.

**Mr. Watson:** Yes. When you do the testing and measure the quality, you come up with a scientific number. You measure the bacteria and get so many coliforms per millilitre or whatever unit you use. What I want to know is why you use the unit you use, what makes that level safe. The figure used at present is 100. Why is it not 200, and why do some people say it is safe at 200? Why do some communities post the beaches at 100 and others let the level get to 500 before they get excited about posting them?

**Hon. Mr. Brandt:** Mr. Watson and members of the committee, may I introduce you to Ivy Wile, who is involved with the standards question. Perhaps Ivy would be able to respond to the concern you raise. Welcome, Ivy.

**Mrs. Wile:** Thank you. Would you like me to review the standard process first?

**Mr. Watson:** Perhaps that would be best. I fully accept the fact that your scientists are able to test to get these numbers. What I am concerned about is how you arrive at saying a certain level is considered safe and another level is not safe. That is what I would like to learn.

**Mrs. Wile:** Maybe I can give a brief overview of what we are doing.

**Mr. Watson:** Please do.

**Mrs. Wile:** Then some of it may fall into place.

First and foremost, I just want to point out that the microbiological standard is not the sole basis on which a beach is posted. The medical officer of health can post a beach if a sanitary survey reveals the presence of a contaminant. He can close the beach on medical grounds; for instance, if there is an incidence of contagious disease within the community which could be spread by people swimming. There are physical considerations; for example, inadequate clarity in the water or oil scums.

The last criterion, if you like, is the microbiological standard. Our standard in Ontario is 1,000 total coliforms per 100 millilitres or 100 faecal coliforms per 100 millilitres. We also make reference to isolation of specific pathogens. The faecal coliforms and the total coliforms are indicators. They are sort of representative of the surrogate parameter, if you like, because it is more easily measured.

The pathogens are really not done as a routine test. The faecal coliform and total coliform are done routinely, but the faecal coliform is more closely related to sewage contamination. The total coliform is a larger grouping and it is more ubiquitous. It occurs everywhere and therefore it is harder to relate to contamination in the water.

At the present time, the coliform indicators are the only ones that are in use; and it is a case of their being the best information that is available. There were studies done in the 1950s which established some link between these coliform indicators and health effects. Subsequently, that formed the basis for the development of these standards by most jurisdictions.

The standards used by various jurisdictions are quite variable. For example, the US Environmental Protection Agency uses 200. Our Canadian federal government will be adopting 200. In various states in the United States, the standards range from 20 to 200. The World Health Organization has 100 and Ontario has 100.

More recently, there has been a lot more work done on these indicators and their relationship to health effects. Both in the United States and Canada there have been very extensive epidemiological studies. On the basis of this recent information, we had decided we would review our operational standards, hoping either to agree that we would continue with our present standard or perhaps to accept an alternative indicator if it is better based and better related to human health. On the strength of this

information, the review process was put in place in June prior to the beach closures which occurred in July.

The review process will be strictly scientific. It will be undertaken by a standard co-ordinator under the direction of internal and external committees. The internal committees are microbiologists who can resolve things such as methodologies and what indicators or pathogens should be considered for a standard. The external committee will consist of Ministry of Health representatives, federal representatives and medical officers of health as well as the people who are most extensively involved in this research in this more recent work that has been done. This involves people from the University of Toronto and the US Environmental Protection Agency.

The process is under way right now and we hope we will have completed a very scientific and technical review before the 1984 swimming season.

9:30 p.m.

**Mr. Watson:** You say the process is going to be entirely scientific and technical. It is difficult for me to understand that somebody does not have to make a subjective judgement there as to how sick is sick before one is sick. How much illness will that cause before we are going to draw the line? Does it not require subjective judgement someplace? Sure, you have your scientific basis, but somebody is going to say, "If we leave it at 100, then two per cent of the people are going to get sick; and if we raise it to 200, then five per cent of the people will get sick." Is that the way it is done?

**Mrs. Wile:** What I meant by a scientific review is that we will assess the information that is available and be able to tell the incidence of illness, we hope, at the level of the organism. The subjective interpretation will come in subsequently, and I think there will be public input as to what level of risk is acceptable.

**Mr. Watson:** Which is a subjective judgement.

**Mrs. Wile:** Yes.

**Mr. Watson:** What I want to know is, do you have any indication—

**Mr. Charlton:** What she is saying is that they will make a subjective judgement.

**Mr. Watson:** But do you have any indication at the present time as to what percentage—let me start at the beginning. Our figure now is 100.

**Mrs. Wile:** Yes.

**Mr. Watson:** Do you have a base as to what percentage of the population of 100 people who swim at a beach where the count is 100 are likely to get ill?

**Mrs. Wile:** The current indicators are not that tightly bound to epidemiological information. That is because of the fact that nobody has died from it; so the medical profession has not really followed the effects, which are fairly minor ear, nose, throat infections or gastrointestinal upsets, that closely. The only information is those 1950 studies which I mentioned.

In effect, you could say that at a level of 100 there should be zero effect based on those early studies. With the new studies, you could almost produce a graph that would show you the level and the number of swimmers who would be impacted.

**Mr. Watson:** That is my next question. My arithmetic is not going to follow, because two times nothing is going to be nothing, but if we raise it to 200, what is likely to be the impact? Where does the curve on your graph start to go up? Or is it a straight line?

**Mrs. Wile:** Almost a straight line. However, the best relationships in this more recent information are not necessarily with the current indicators. They are with a group of bacteria that is even more closely connected to the human gut than the faecal coliforms, which can come from various sources. If you are looking at it that way, there would be some impact at the 100 equivalent.

**Mr. Watson:** You mentioned that the medical officer of health has authority to close the beaches. In law, what happens when somebody posts a beach? Does it mean no swimming, or does it mean you are putting your own life in danger? Where do we stand if I go down to Sunnyside and it is posted, "No swimming," and I go swimming? Does somebody come along and haul me off to jail?

**Hon. Mr. Brandt:** Legally you are at your own risk.

**Mr. Watson:** What are the legal ramifications of that?

**Hon. Mr. Brandt:** Simply that: you are at your own risk. We have a responsibility through the Ministry of Health to indicate that there is a strong potential health-related problem, but it is like many other things in society where government may provide some form of warning but there is not an actual breaking of the law that takes place. If anyone is stupid enough to swim in water that is contaminated or that has a high

bacteria count, he does so at his own risk. He is not going to be hauled off to jail or fined.

**Mr. Watson:** I was intrigued this summer, as you know, because sitting in Chatham we get the reports from Lake Huron. The minister closed all the beaches up there, yet in Essex county the medical officer of health was saying "People are going to swim anyway; it is an awfully hot summer. Really, there are other factors besides the count, and I am not going to post the beaches."

We were treated to the medical officer of health from Lambton county saying on television, "I am looking after the health of all our people and, by gosh, they are closed," and the fellow from Essex county saying, "Maybe Andy Brandt doesn't know everything, and I'm not going to close the beaches in Essex county."

**Hon. Mr. Brandt:** I would like to talk further to that gentleman.

**Mr. Watson:** Be my guest.

**Mr. Elston:** Perhaps you could just speak to the member for Chatham-Kent (Mr. Watson).

**Hon. Mr. Brandt:** Perhaps he can communicate my concerns directly to the medical officer of health. I can tell the member for Chatham-Kent that the safe numbers were not developed in any kind of political context, nor were they negotiated by me in concert with anyone else.

I think the key operative words that were mentioned this evening are the fact that whatever numbers we have now, whatever numbers we might develop in the future will be developed on the highest and best scientific information we have available to us; and if we are going to err we will do so, as has been the policy of this ministry consistently over the decade or more it has been in existence, on the side of safety.

In other words, we probably will be a little harsher than might be otherwise necessary to be absolutely certain we have a number that is supportable and defensible under all circumstances. At the moment, 100 is such a number simply because most other jurisdictions have a higher number. This is the best basis we have available to us at this time for giving people the information they require to swim at a safe beach.

I have indicated that we are reviewing the number and a whole series of things in connection with this number, including the frequency of testing, the type of testing, the sampling procedure and the whole protocol area, to make sure that the number we are getting is as accurate as is humanly possible under the

circumstances. That is really what the review that is being discussed here this evening is all about.

**Mr. Watson:** Down our way there was the newsclip type of thing with the medical officer of health saying, "Well, maybe 100 is not the number." As I recall, he said: "If it were 1,000, I would close the beaches; there is just no question. But if it is—"

**Hon. Mr. Brandt:** We might as well get it on the record, because it is publicly known: the number that the medical officer of health was using in Essex was 500. I had some concerns with that number, but it is not my job, nor is it the job of this ministry, to close the beach. It is our job to establish what we feel is the safest and most accurate number we can come up with as an indicator, as has been indicated here this evening.

We provide that indicator to the Ministry of Health, in effect, through the medical officer of health in that particular region, and if that individual feels 500 is a safe number, so be it. I may personally disagree with that, as you probably do from the tone of your question; but we do not close the beach, it is the medical officer of health.

**Mr. Watson:** I am trying to find out what the safe number is and how safe 100 is, or how safe 500 is. I suspect that you are going to find on a graph—although you point out that the evidence is that it is a straight line on a graph; I thought perhaps it might be a curve.

**Mrs. Wile:** We have not finalized the technical review, but what we have seen to date suggests that 100 is a far more valid criterion than 200. All the indications in that literature are that at 200 you would have considerable impact on health—perhaps minor but nevertheless considerable impact. The 100 seems closer to the zero-impact level in these graphs we have looked at.

**Mr. McGuigan:** Mr. Chairman, I would like to ask a supplementary on that. As I recall my little bit of study on bacteriology, they told us that the coliform was not in itself a particularly dangerous bacteria; it might cause you some diarrhoeas, some sinus troubles or an upset stomach, but you were not liable to be seriously ill from coliform.

What it does tell you is that there is human excrement getting into the water supply, and if there is one typhoid or some of the amoebas and other very serious organisms that are in that water, then one is too much. If there were only

one person in the whole city of Toronto who had typhoid and the waste from that one person was ending up on the beaches, that would be exposing an awful lot of people to typhoid.

So it is not a subjective matter of whether it is 100 or 200; it is an indication of faults within the system. Am I correct in that?

9:40 p.m.

**Mrs. Wile:** Yes. You are quite correct. What you are measuring with the coliforms is a surrogate parameter, an indicator. The level of that indicator is a measure of how many actual pathogens you have. In other words, because the actual pathogens are very difficult to measure routinely—they are few and far between, and you would have to process tremendous volumes of water and go through a very complex analysis, which does not lend itself to a routine operation—you measure an indicator and the level of that indicator tells you, presumably, that pathogens are absent.

The actual indicators themselves are often opportunistic pathogens, in that if they are present in sufficient numbers they may be involved in a secondary infection. For instance, if you get stabbed in the gut, all these organisms are very abundant. They could lead to septicaemia and complications, hospital types of infections, but they are not themselves considered direct pathogens.

**Mr. McGuigan:** Just to reinforce that, Mr. Chairman, I want to point out that in assessing whether to use a pesticide, they take a figure of LD50, lethal dose to 50 per cent of the people, and you find out at what point people are affected. It does not kill them either. When they find that point, then they take one hundredth of that point as the amount of chemicals that can be used as pesticides. So their figure was really less than zero, if you could have such a figure as less than zero mathematically.

It is not a question of whether it is one or two per cent of people who are made sick. If it were my child who died from typhoid, and my child was only one out of 10 million, I would be awfully mad about it. I cannot see that it matters whether it is 100, 200 or 300; there should not be any of these materials there in an ideal situation.

**Mr. Chairman:** Mr. Elston, thank you for your patience. Mr. Martel wants to ask a question on another matter.

**Mr. Martel:** A totally different area.

**Mr. Chairman:** Do you want to ask the question now?

**Mr. Charlton:** Let's finish up this discussion.

**Mr. Chairman:** Fine.

**Mr. Elston:** My questions are more to the minister. He mentioned a study to find significant sources. I wondered what is considered significant. Is there a decision on that?

**Hon. Mr. Brandt:** What we have done in monitoring the studies we have done on the Humber specifically, which is one of the major areas of concern of our ministry at the moment, is we have actually taken samples of all the outfalls; I believe there are roughly 600. By monitoring and analysing the level of contamination out of each of those outfalls, we have an indication of which of them are experiencing some leaking into the system where there are perhaps illegal connections into the system. We provide that information, as was indicated earlier by Steve, to the municipality.

Some of them are excluded as sources. Higher levels of contamination are not a problem; we do not have to worry about the policing of that network of pipe. In other instances, we do have to worry. That is when the investigation on the part of the municipality starts. We are really at the point of outfall, and we provide the information on what is coming out of the pipe. The municipality goes back and tries to determine what is causing the problem.

**Mr. Elston:** So anything with an irregular count is looked upon as being significant in your study?

**Hon. Mr. Brandt:** Right. As Steve also mentioned, by actually sampling the various areas of the river, we know where the higher levels of contamination are occurring in a collective sense. If you have a relatively pure stretch of river, you know that is not where your problem lies. Your problem may lie at some other outfall and may be impacted by anything.

As an example, one source could be meat-packing plants where intestines may be being dumped in some improper fashion. If those get into the actual storm sewer outlet and are flushed into the river, they can cause a high level of contamination and can negatively affect the outcome of the counts at the beach itself.

**Mr. Elston:** Once you find the significant sources, I guess you will have, as you say, some remedial project put into operation. Is the ministry now contemplating funding those so we do not have to go through the waiting process that was described earlier by Mr. McIn-

tyre, where the municipality may have to go to the Ontario Municipal Board for approval for a project and wait for a year or so to get the approvals on the type of work that has to be done?

Are you prepared as a minister to say: "Okay this is a serious public problem. We will provide the funding for this now and we will develop a strategy for repayment or whatever for the municipality later on"? Or are you willing to wait that year or more for the approval process to take its toll on the waterway?

**Hon. Mr. Brandt:** I think your question is a fair one and if I can use this term, as minister, and I can assure you the co-operation of my ministry is also part of the answer to your question, we are prepared to fast-track any solutions to the extent that is available to this ministry. If we can find ways of assisting with (a) the funding—and we are looking at that policy question now, as I indicated—and (b) in the context of our present policy, which is the sewage treatment plants, the trunk lines and also speeding up the investigative work which we are doing, we will do all of those as expeditiously as is feasible.

I cannot be more specific at this point because, first, we have not had any requests from the municipalities that have asked for the kinds of projects you are talking about.

I do anticipate, however, that as a result of the liaison committee we have in place now, which our ministry is part of, there will be solutions brought forward. Frankly, I anticipate responding to some of those on an ad hoc basis. There may not be funding within my ministry appropriations as they stand now and as they are fixed at the moment to handle whatever those demands might be in financial terms.

However, at the time when there is a sound, solid, defensible argument that I can put forward for additional money, I am prepared to go back to my colleagues and attempt to get that money. I cannot assure you that I am going to have—

**Mr. Charlton:** We are prepared to support you if you do that.

**Hon. Mr. Brandt:** I would appreciate that, because I think it is a very real concern we have in terms of the image of our communities. I appreciate that as much as the members of the committee do. I can only give you the assurance that I am prepared, as minister, to muster whatever arguments are the appropriate ones

and go to bat for that additional funding if it is needed.

**Mr. Elston:** Regarding significant sources, are you concerned with the type of operation with the plants, for instance the Humber or the Ashbridges plant, where we have a significantly heavy rain and runoff so that they have to flush some of the material that goes into their plant through their system before it is totally treated? Are you looking at ways of upgrading that or providing funds for upgrading their facilities to handle that runoff so we do not end up with further contamination? That seems to me to be a significant source of pollution, certainly on any given heavy runoff time.

**Hon. Mr. Brandt:** I think it is somewhat misleading to say it is untreated.

**Mr. Elston:** No, I did not mean to say it was untreated. I meant certainly not treated as well as it could be treated.

**Hon. Mr. Brandt:** There is some question in my mind as to whether that is the problem. I think I know the plant you are talking about. Steve, you may want to address that question. Just to put it briefly, during a period of high storm runoff there is a quick fix in the plant that bypasses the normal treatment process and shoots it out the tube. That is the question. I am not saying that is what is happening.

**Mr. Salbach:** One of the more serious limitations of the main sewage treatment plant that serves Metro is the outfall. It just does not have sufficient capacity to let all the water go through it. As you may know, Metro has announced it is retaining a consultant to the tune of \$300,000 to review what can be done.

9:50 p.m.

**Hon. Mr. Brandt:** Excuse me, that is the outfall parallel to the Leslie Street spit. It extends out approximately half the length of the spit. I am giving you a sort of general geographic layout. The proposal that Steve is talking about would take that outfall well beyond the spit to deeper water, where the dispersion rate would be much more effective.

**Mr. Salbach:** It is extremely important that the quantity of waste the Metro sewage plant can take can be increased because it, in turn, influences the amount of bypassing of combined sewage that is done along the shoreline. It is important that outfall gets, first, studied, then designed and built as quickly as possible.

The other aspect that relates to the question you have just raised is the disinfection of the

waste that gets discharged from that sewage treatment plant. We have a concern that in the winter time disinfection is not carried out at this point and we would like to see disinfection done throughout the year, certainly well in advance of the swimming season. There are indications that bacteria and faecal coliform survive some considerable time, in the sediments in particular, which in turn are stirred up by the bathers. It is for that reason we feel it is appropriate to disinfect on a year-round basis.

**Hon. Mr. Brandt:** Could I make one other point in response to Mr. Elston's question? The problem this past summer, if your question relates to the undercapacity of the plants, because we had an extremely hot, dry summer—

**Mr. Charlton:** As the Minister of the Environment, are you not responsible for the weather too?

**Hon. Mr. Brandt:** Yes, I have thought of passing various pieces of legislation that might address that but I have not been able to come up with them yet.

**Mr. McGuigan:** I thought it was the federal minister.

**Hon. Mr. Brandt:** I have talked to him about it as well. When you have a hot, dry summer, it is not a problem of storm water runoff. So the difficulty, as Steve is describing it now, really was not one of the plants not being able to deal with the capacity. We had the bacteria counts and the high faecal coliform counts that were completely dissociated from any storm runoff because the runoff was very marginal.

**Mr. Elston:** Although it may have taken place this spring. As you heard him indicate, there could have been a buildup in sediment, for instance.

**Hon. Mr. Brandt:** Yes, in some instances.

**Mr. Elston:** We had a very wet spring season, as you might recall, and then it turned dry from June. That relates to the capabilities of that plant holding on to the water to treat it thoroughly before it is discharged.

**Hon. Mr. Brandt:** All right. There are a number of complex questions related to that. The life of the bacteria in the water is a question that perhaps Ivy Wile may wish to address.

**Mr. Elston:** To shorten the time a little, because I know there are others who would like to ask questions: With this program, if the outfall is designed and constructed, my concern is that it be constructed as quickly as possible if that is part of the solution, or that the extension

of the capabilities of the plant be provided as soon and as quickly as possible.

I see that really all you have right now is 15 per cent assistance available to the municipalities contemplating that work and they are responsible for the other 85 per cent. Are you, in the same sense, providing or thinking of providing ad hoc programs to let them get those things constructed quickly? I guess that is going to be the short question.

**Hon. Mr. Brandt:** The short answer is yes, we are looking at it. I cannot make a commitment now because I do not know the extent of the proposals that will be coming before us, but I have indicated to you, in response to your earlier question, that we are prepared to review our policy in that connection. We are prepared to shift some priorities, looking at the reality of some limited funding problems that we are probably going to have to live with for some time, but I am also prepared to go back to my colleagues to request some additional money if we see a workable solution.

**Mr. Elston:** If you do not get the money, it will fall to the municipalities. Will you force them to put those projects into construction immediately, despite your ability to get money, whether it be good or not? Will you force the construction of those plants?

**Hon. Mr. Brandt:** "Force" is somewhat too strong a word.

**Mr. Elston:** Would you encourage them and yet still not provide the funds? Are you going to clean up the problem? If this is part of the solution, are you going to implement the solution whether you can get the money or not? That is my question.

**Hon. Mr. Brandt:** I do not think this ministry has ever moved unilaterally or arbitrarily in connection with a co-operative municipal program. It certainly would go against my grain personally, as the minister, to say, "Even though we do not have the money to proceed, we are going to force you to proceed," and turn a blind eye towards the funding limitations of a given municipality.

I served in municipal government for a long time and I would take strong exception to a dictatorial mandate coming out of the provincial level of government.

**Mr. Charlton:** In that scenario, you would also run into some serious problems with some other provincial agencies anyway.

**Hon. Mr. Brandt:** In all probability, yes. Look, we would work hand in hand, as we are

now, with the committee that was described by Steve earlier to try to come to grips with the problem. I think you are going to find a series of solutions.

This is not a study in the normal sense. As a matter of fact, I dislike the term "study" because it really is an action plan I have asked for and have been provided with. I do not want to take the time of the committee going through this now, but I will make this offer to the committee, particularly to the critics:

If you would like it, I would like to provide you with an in-depth briefing of this whole question. I would like to provide you with a detailed overview of our action plan, which is accompanied by specific target dates and specific response times to this whole question as we go through it.

I want to impress on you the fact that what we have in place is not a study that is going to end up on some shelf gathering dust. If I have made this comment once I have made it a few times in our discussions with ministry staff. I want something that is going to lead to solutions, not simply to some philosophical meanderings in a study. I even want to get rid of the word "study" in the context of what we are doing, because it is, in fact, an action plan. I want to emphasize that.

Because we have so much to go through, if you will agree to leave this subject so we can get on to Mr. Martel, I would be most happy to have the staff—and I think we will need about a morning, about two or three hours—give you an in-depth overview of the briefing that would be required. Certainly all members of the committee are welcome to attend if they are interested in the subject to that extent. I would be more than happy to provide you with that briefing. I think you would find it very interesting.

**Mr. Elston:** I have one quick question. If your program is not going to be funded provincially, if it is going to require the 85 per cent funding from the municipalities and they cannot come up with the money, if they have those difficulties, how long are you prepared to wait for the implementation of this action plan of yours? Are you prepared to wait several years if the money is not there?

You will not force anybody to get into the program, obviously, even though they may provide us with the solutions. My question is, how long does the environment have to wait for the solutions to be implemented?

**Hon. Mr. Brandt:** In a perfect situation my answer to you would be that we will find all of

the money necessary and do it immediately. I cannot give you that answer, in fairness. You may not find it totally acceptable, but I know, and I think you do too, and I made this statement very early in my appointment to this ministry, that the optimum end solution that we are looking at does not cost a small number of dollars.

When you look at a total separation, there is no municipality anywhere in North America that I am aware of, anywhere, in the richest countries in the world, which I presume to be the United States and Canada, none of them has a totally separated, absolutely pure sewage treatment system to the extent that one might say, "We have the solution in place and we can guarantee you there is not going to be a bacterial problem on the beaches."

When you have urban buildup such as we have experienced here in the Metro area and when you have literally thousands of different sources that are contributing to the problem, it is a massive problem. I dislike using sort of a general number like this because it is sometimes frightening, but really, when you take a look at the five years which I mentioned when I opened up my remarks about this question, \$187 million has gone into this question in the last five years in Metro Toronto alone. This is the number I have some hesitancy in mentioning, but you are talking about hundreds of millions of dollars for the ultimate solution. It is not something that is going to be fixed overnight in the sense that you and I both want it fixed.

10 p.m.

Our contribution has been \$27 million of that \$187 million, if I recall the right figure, or something in that order. I suppose it could be argued that perhaps the province should have had a 20 per cent program, or something more than 15 per cent. The point is that policy really has not come into question by the municipalities up until now and they are still not even questioning our contribution, because they recognize it is a municipal responsibility with the province participating in certain fundamental parts of the total program.

I cannot give you any more of a commitment on this. We are looking at a total response to the problem to see if we can, first of all, give ourselves whatever assurance we require to open the beaches next year by taking whatever short-term, immediate actions are available to us; and that means, quite frankly, that we may have to change our policy. If you are looking for a commitment that this policy is relatively

flexible and that we are going to take a pragmatic approach, the answer is yes, we will.

Whether we can go beyond 15 per cent to 18 per cent, 20 per cent or 25 per cent, I cannot give you that number now. But I can tell you that I am determined to get those beaches opened next year, as is Mr. Godfrey. We have had a number of conversations on this.

I will give you a short-term kind of solution that will be partially effective in solving the problem. In the past, the chlorine treatment in the Toronto plants has been basically a summer application. They are going to be treating with chlorine on a year-round basis. There will be no stoppage of the chlorine treatment, so if during the winter months there is a contribution to the contamination problem as a result of not having a year-round treatment or the addition of chlorine as the final part of the treatment to the process, then Metro Toronto has agreed that is a relatively small cost.

When you are talking hundreds of millions, this is maybe in the thousands of dollars; it is not a major cost item. But that is one of the short-term steps that is being taken and that has been agreed to. There is a whole series of others, some of them long term and some of them short term.

The member for Hamilton Mountain (Mr. Charlton) has indicated that he would like the briefing; I assume that the member for Huron-Bruce (Mr. Elston) would like it as well. Mr. Chairman, to save some time, because we have so many issues to go over, I would be happy to provide that briefing with the staff at the earliest opportunity following the estimates.

**Mr. McGuigan:** Mr. Chairman, before you leave the beaches, I would like to make a short comment on the gulls. If you seriously believe that the gulls are contributing—and I certainly do—and if you are looking for an ally, the rural population of Ontario now is regarding gulls as serious pests.

They have moved away from the beaches—and I believe Mother Nature gave them the mandate to clean up the beaches and act as scavengers and so on—and their numbers have increased greatly since we stopped using DDT as an insecticide. But they are moving inland, and in southwestern Ontario when you plough your ground they are behind the plough by the thousands. I think they probably clean up every last earthworm that is in the field. Certainly we regard those earthworms as allies to us in soil conditioning.

The gulls can even defoliate trees. They are

moving in now and are eating tomatoes, and this is certainly something that has come in just in the last few years. If you go by a landfill site, it looks like a mountain top with snow on it. There are thousands of those things at landfill sites.

I do not want to spend a lot of time on that, but if you are looking for an ally, you will not have to look far to find one in the rural communities.

**Mr. Martel:** I want to move to a totally new subject, Mr. Chairman, and I do so in my usual careful way. I want to talk about the Spanish River and my concerns. You will recall that in early July there was a spill—by the way, it was the second spill within a year. They had a spill about a year ago that led to some fish being killed and then they had one that was gigantic. What worried me about it was that the corporation indicated at the outset that the spill was minor. That is putting it mildly.

I do not know what was in the substance, black liquor or whatever name you want to give it. I do not know whether it was soap resins and fatty acids or whether it was some other material like sodium or potassium salt, which some of my friends tell me will kill the fish instantly. I realize this is sub judice, but I would like to know what the substance was and when it first entered the river. In other words, at what stage of the game, after it was reported, was the precise timing of its entering the river?

The reason I raise this with the minister is that after this spill occurred a number of construction people working at Eddy Forest Products Ltd. contacted me. I went to visit them because they felt the facts were not consistent with what they thought happened. Let me tell you what they thought had happened.

When they left the site on the Friday night before the spill, there was no trench; it appeared over the weekend. I guess what the ministry has to find out is when that trench was dug. The trench led from the area of the lime kiln building towards the river.

It is my understanding that there is a natural slope towards the river. Yet when the workers came in after the weekend, a trench had been dug. The workers drew me a diagram of that trench and a layout of the facility. The trench was a foot and a half deep and two feet wide. It was not there when they left on Friday to go home, but when they returned to work there was a trench a foot and a half deep and two feet wide leading directly to the river from the kiln area, despite the fact that the ground all slopes towards the river.

When they came in to work there was a substance—not a clear substance, not totally milky, but slightly opaque; you could not quite see through it, but it certainly was not milky in nature—flowing into that trench and into the river. That process continued for two days. As I understand it, the black liquor was a sort of brown substance which entered the river and was killing the fish. But the workers did not see that when they came in after the weekend.

Why was the trench dug? Why was it there when they reported for work? Why was a milky substance going through it, as opposed to this dark substance which apparently everyone could see on the river, as one reads the press reports and so on? One wants to know why that trench was dug and when it was dug. It is important for the ministry, when it pursues this matter, that those questions be answered.

The other thing that concerns me is that there are at least two major pipes that lead into the river from that establishment. There is a six-inch pipe and a 10-inch pipe and, I am told, there might even be a 14-inch pipe as well. I am not sure if the liquor overflowed the tank or if it got into the pipe and flowed into the river. But when one learns that there was a trench dug and when one sees the layout of the area, it is almost a contradiction as to why a trench was dug.

Interjection.

**Mr. Martel:** My colleague reminds me that shortly after the two days the workers saw the material running when they came into work, that trench was filled in. It was buried.

10:10 p.m.

**Hon. Mr. Brandt:** That would be what date, Mr. Martel?

**Mr. Martel:** The seventh or the eighth, I am not sure when. That is why I asked the question as to the first knowledge of when this black substance got into the river system itself, if it was Saturday, Sunday, Monday or Tuesday. The workers I spoke to—I did not know them; they called me and asked me to come—did not notice anything black flowing on Monday or Tuesday. Did that black liquor get in there on the weekend? Was the trench deliberately dug? Was it pre-planned?

There was a hole some six feet in diameter cut in one of the tanks, I am told, and the flushing process continued. I have photographs of that. I asked, so as to be on safe ground, that photos be taken of the area for me, and the workers did that. They also dug in the trench and took soil samples for me at the 12-inch, 18-inch and

24-inch levels to determine what went through there. It seems rather strange they would leave work and there was no trench, and they would come in after the weekend and there was a trench. It is important to know when the black liquor got out because the workers did not see it flow out and they were in there starting the shift the first day of the week.

As I said already, I am not sure whether that material happened to get in there accidentally, or whether there was an effort to clean up after it got into the pipes leading into the river. The whole thing seemed unnatural to the workers who were working there and it seemed unnatural to me.

There is another thing that bothers me. I am told by the workers there was so much material dumped that they brought in truckloads of chips to dump into that area around the tanks to soak up the sludge that was present around the tanks. Then they went in with front-end loaders, I am told, to haul away those chips.

I leave a series of questions with you. When did the material start to overflow? Was it released deliberately? I guess the ministry will have to try to prove that in its court case. Was it accidental? Who cut the hole in the tank? After the hole was cut in the tank, did this whole cleaning process go on for two days after, which was probably the Monday and the Tuesday? Why was the material in the trench that flowed naturally—I mean the trench that was dug because the incline of the land was towards the river—nearly clear on Monday and Tuesday? It was a brownish sort of material, I am told. Did an overflow occur?

After all of this occurred, the company put up a sign about flushing the pipe and the tanks. I think this is important because it then leaves the government to decide what it is going to demand of the corporation. If it was accidental, that is one thing; if it was something else, then the government's response and its demands will be somewhat different.

My colleague Mr. Laughren contacted the ministry and talked to some people there. The lawyer who is handling the case indicated he did not know if he should talk to a politician. I guess we are all disreputable to some degree, but obviously he did not want to talk to Mr. Laughren. He thought maybe an inspector might talk to Mr. Laughren, but certainly not the solicitor handling it.

That worried both of us because we were concerned about what happened—you would certainly be interested in knowing this—based

on information which came to us from a number of construction workers who thought the facts as they were coming out did not resemble what they saw while working. They have to go on to other jobs and are somewhat reticent about coming forward themselves, but they did take pictures. By the way, Mr. Laughren has never been asked for the pictures. As you can understand, the workers are reticent because they have to take a job at the next plant or corporation. They have some concern about putting themselves out on a limb.

In conclusion, what I am saying is one has to determine—and you are the person who is going to have to do that—whether this was deliberate, whether the fines would be greater or the demands would be greater by government if it was deliberate or accidental, and who would then pay for the restocking. As I understand it, the government through the Ministry of Natural Resources is prepared to assist, but what we would be demanding would be somewhat greater if the spill were deliberate as opposed to if it were accidental. I do not think the government should pay anything if it were deliberate.

What do we do on behalf of the tourist operators in the area who, and I have seen the press reports, thought they had lost a great deal of money because of it? It could be injurious to the area. What do we do for the native people? I have seen the press release by the Spanish River band council, which was concerned about the spill the year before and is certainly more concerned about this huge spill which, as I said, was reported as just a minor spill. That bothers me. The company would know how much was spilled. Why would they try to pass it off as a minor spill when all of us knew it was gigantic, based on the number of fish that were killed?

There is another thing that worries me. As I was going home last weekend, I listened to somebody from the ministry saying that the fish were already back in there. In fact, the ministry said at the outset the only things killed were the coarse fish, when we knew, as was demonstrated by the people who picked up the fish, it was more than coarse fish that were being killed. The overall question is, what is going to happen to the tourist operators along the Spanish River in terms of their ability to make any money next year? It is going to take some time to get it back to where it was.

The whole thing is rather crazy when one looks at the initial reports that came out of the ministry, that just coarse fish were involved. Then, according to the company, it was just a

minor spill. I am trying to convey information to you without making any accusations because I simply do not know what happened. Certainly, there is another side when workers come forward and say: "There was a trench dug. It was almost a clear liquid that ran through there on Monday and Tuesday, whereas we know that the substance that floated on the surface was black or brownish in nature."

There are a lot of questions that have to be answered. I simply put this forward in an effort to elicit some of the answers you might be able to give now so that the ministry takes a different view. Maybe not; maybe they are looking at it as deliberate or accidental, whichever way they are looking at it. There are some questions that really must be answered for the public and in terms of what they are going to do as a ministry in terms of the approach one uses as to whether it was accidental or deliberate.

**Hon. Mr. Brandt:** Let me attempt to deal with what is obviously a difficult question because, as the committee is well aware, we are under some relatively severe restraints and constraints with respect to this issue because it is sub judice at the moment and before the courts. It is a matter that—

**Mr. Elston:** May I interrupt for a second? Can you tell us what charges the ministry has laid?  
10:20 p.m.

**Hon. Mr. Brandt:** There have been eight charges laid, four against the corporation and two each against two of the corporate officials, totalling \$400,000.

**Mr. Elston:** Those were laid by the Ministry of Natural Resources?

**Hon. Mr. Brandt:** No. I want to clarify this and I am glad you raised the question because there was some confusion in regard to the charges. All charges were laid by the Ministry of the Environment. No charges were laid by the Ministry of Natural Resources.

I want to be somewhat helpful and perhaps alleviate some of the concerns raised by Mr. Martel by sharing with the committee our normal response on a matter we consider to be as severe and as important as the spill that occurred on the Spanish River.

We have what is called our SIU team, which is our special investigative unit which moves in on a situation like this. It has moved in on cases other than the Spanish River, but it is a relatively new unit with specific expertise drawn from the ministry to carry out the most thorough investigation that is within our area of

competence in the ministry. They would look at some of the questions you have raised in terms of determining what those charges would be. Of course, the crux of the question in this particular instance is, was the spill intentional or was it accidental? That is what the court case is going to determine.

I have indicated we are under constraint in discussing this thing and I think you appreciate that. I want to say to you with some apology that if there was an offer of pictures which would add to our inventory of information or some of the items you have brought forward this evening as well, as the minister I would be more than pleased to accept those to assist us in putting forward what we feel to be the most acceptable and the strongest case we can muster in regard to the efforts that are coming up in the court case itself. We certainly will accept those pictures and whatever else you might have.

Third, I would like to say that if you are prepared individually to operate under the same constraints we have as a ministry, in other words certain areas of confidentiality with respect to the way we are proceeding with this matter, and if you are prepared to adhere to those kind of restrictions, I am more than happy to keep you informed on a confidential basis on the background of what we are doing with the case. All I need is your word on that. The same holds true for Mr. Laughren and for the critics in the committee in so far as that is concerned. I am not prepared to discuss it publicly.

Joining me is Mr. Mulvaney, who is our legal representative, who has been handling the case and who may very well have been the individual who would not speak to Mr. Laughren. I know he is very nervous about my talking at the length at which I have talked already. I think I have been relatively safe in my response to you, sir, but I would like Mr. Mulvaney to perhaps embellish my remarks. I will nudge him if I think he is getting into an area I feel uncomfortable with.

The reality is we do have some problems in discussing this publicly, but we would like to be as open as we can under the circumstances. We also have here Mr. Gibson, who has specific knowledge of the case and whom Mr. Mulvaney may wish to call. Mr. Gibson is coming forward now. Mr. Mulvaney, you may wish to respond to some of the comments Mr. Martel has raised.

**Mr. Mulvaney:** First of all, I am sure the hesitation David Crocker may have had in speaking with a member of the Legislature was not because he was a member of the Legislature,

but because of his concern to stay within those constraints of which the minister spoke. One of those constraints is that the courts do not want to read in the newspapers or to hear on the radio a kind of discussion which gets into material that will be the evidence in the case, because the feeling is that may jeopardize a fair trial. As the prosecution, we have an important obligation on us to ensure a fair trial, just as the defence does and the court does. The obligation on us is probably higher than it would be on the media or anyone else.

I support the minister's invitation to you or to anyone else who has photographs or names of individuals who could serve as witnesses who are prepared to co-operate with the special investigation unit carrying out the investigation. In order to introduce these photographs in evidence, we will probably need at some point the person who took the photographs, with the photographs carefully marked on the back describing what he was taking a picture of, the date and his signature. On that basis there is a good chance for us to be able to introduce those photographs into evidence.

The civil implications of the case are harder to deal with. At the present time we are concentrating on the prosecution. Once that material is all before the court and public, it may well be that people who feel they have suffered losses will then have ready access to that investigation and may be able to use some of it in pursuing their claims. Certainly, the onus on them will not be as great as it is on us, because in a prosecution forum we have to establish the case beyond a reasonable doubt, and it is a lesser standard for the civil claimants.

Frankly, at least in my branch, we have not given a lot of thought to how those claims might be addressed or what part we might play in furthering them. Our preoccupation is with gathering the evidence for the court and the prosecution. But I want to assure the committee that it is not an unwillingness on our part to discuss this publicly. It is a firmly established principle of the courts that places a very high obligation on the policeman, the agency or the prosecutor to ensure that there will be no public discussion by him of material that will be evidence in the case; so it seems to me a very workable solution to this that discussion take place on a direct level between the member for Sudbury East (Mr. Martel) and us.

Hon. Mr. Brandt: With the caveat.

Mr. Mulvaney: With the caveat that he would be prepared to accept the same constraints that

we are under with respect to making the material public, at least until the trial is concluded.

Mr. Martel: That is no problem. My colleague and I anticipated that one could not disclose publicly. That is why Mr. Laughren called in the ministry. We have not made any public statement. After a few years around this zoo we are knowledgeable on the problems you had. I guess we were uptight about the reluctance to talk to us even on a confidential basis, which did not seem to be quite forthcoming. I do not know whether I can convince the person. I have the pictures and I have the detail on the back of each, but I do not have his signature on each because the people involved have some reticence as they are concerned whether they will find employment anywhere else.

The only question I want to ask at this stage of the game is when did the first knowledge of the substance hitting the river become known? I do not think that is sub judice, is it?

Hon. Mr. Brandt: Is there any problem in my responding to that? I can give you the date the spill was first reported to us.

Mr. Martel: There is a press release, but anything that is in the press does not say that; it does not tell when it first hit the river.

Hon. Mr. Brandt: Do you want to know when it first hit the river or when the spill was reported to us?

Mr. Martel: I guess I want to know when it first hit the river. If that compromises it, I am prepared to wait for my answer.

Mr. Mulvaney: Again, I would prefer that this take place in the direct discussions between you and us.

Mr. Martel: That is fine. I do not want to do anything that is going to jeopardize anything the ministry might be doing, but I think that is at the crux of the whole thing.

Hon. Mr. Brandt: It really is very tricky ground we are getting into on that one.

Mr. Charlton: If I could just make a comment, I think it is obvious from the chain of events since my colleagues were first approached by the construction workers and the fact that they have had ample opportunity since that time to play public games if they had so wished that they are seriously concerned about jeopardizing the case. It will be useful if arrangements could be made to talk privately to the two of them so that whatever additional evidence and/or

witnesses we can gain for the case will not be missed.

**Hon. Mr. Brandt:** You have that commitment.

**Mr. Elston:** Mr. Chairman, I have a quick question in relation to a problem Mr. Martel brought up, which is the matter of the employees' security with respect to their employer. Perhaps we could ask when your amendments to the Environmental Protection Act are scheduled to come on and what effect they would have on the particular status of these individuals.

As you know, subsection 134(8)—as it was, and I presume it is not going to change when it comes before us—provides that protection as originally put forward in the environmental rights bill, which we have raised two or three times in the Legislature. Perhaps that would provide at least a partial solution to some of the anxieties Mr. Martel is raising and would offer sufficient example of the type of intimidation that people suffer when they are looking at possible or, at least, questionable practices which they observe.

**Mr. Lane:** Mr. Chairman, could we carry on this with this discussion tomorrow morning? I will have some comments to make, and it is after 10:30.

**Hon. Mr. Brandt:** Could I have the committee's concurrence to have Mr. Mulvaney respond to Mr. Elston's question? I think it can be dealt with relatively briefly, but Mr. Mulvaney was going to respond to that very point. Mr. Martel has raised an area of some sensitivity quite obviously. Mr. Mulvaney, would you proceed, please?

**Mr. Mulvaney:** Yes. As indicated by the member, one of the provisions in Bill 52, An Act to amend the Environmental Protection Act, which has had first reading before the Legislature, deals with the protection of employees in situations where the employee has complied or may comply with that act, the Environmental Protection Act; or the regulations for an order, term or condition under that act; or because the employee has sought or may seek the enforcement of the Environmental Protection Act or the regulations; or has given or may give information to the ministry or a provincial officer; or has been or may be called upon to testify in any proceeding related to that act or the regulations.

It does provide good protection for co-operation in terms of our own statutes. I read it just now for the first time with the idea of determining whether it is broad enough to give protection for information provided for enforcement of a federal statute.

It does have a clause in it, "or has given or may give information to the ministry or a provincial officer." My first impression is that it is good enough, given the broad responsibility of the ministry, and I think the use of the Fisheries Act is well within that broad responsibility. My first reading of this is that, once that section is enacted, it will provide this kind of protection.

**Mr. Elston:** With a slight amendment perhaps.

**Mr. Chairman:** Committee members, we must adjourn now until 9:30 tomorrow morning, when we will continue.

The committee adjourned at 10:35 p.m.

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**Tuesday, October 18, 1983**

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# **Hansard**

## **Official Report of Debates**

### Legislative Assembly of Ontario

**Standing Committee on Resources Development**  
Estimates, Ministry of the Environment

**Third Session, 32nd Parliament**  
Wednesday, October 19, 1983

Speaker: Honourable John M. Turner  
Clerk: Roderick Lewis, QC

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# LEGISLATIVE ASSEMBLY OF ONTARIO

## STANDING COMMITTEE ON RESOURCES DEVELOPMENT

Wednesday, October 19, 1983

The committee met at 9:52 a.m. in room 228.

### ESTIMATES, MINISTRY OF THE ENVIRONMENT

(continued)

**Mr. Chairman:** Committee members, when we recessed last night, we were talking about the Spanish River and Mr. Lane wanted to follow up with some supplementary information.

**Mr. Lane:** Thank you, Mr. Chairman. As members know, most of the Spanish River is in my riding, and the pulp mill that was involved in this spill is in my riding. I did not intend to raise the matter of the spill in the Spanish River at the estimates because it is before the courts. I felt that was probably the best place to leave it, rather than discuss it in public at this time.

However, last night the member for Sudbury East (Mr. Martel) not only raised the matter, but made what I thought were insinuations and accusations about the spill itself and about employees being afraid to tell anything they may know for fear of being blacklisted. Really, Mr. Chairman, that is just hogwash, and I feel that I have to make some comment regarding the situation.

**Mr. Elston:** The employees Mr. Martel spoke of were construction people. I did not get the impression that they were actually E. B. Eddy people, but construction people.

**Mr. Lane:** Hansard will show to whom he was referring.

**Mr. Charlton:** That is what he said.

**Mr. Lane:** In any case, I am sorry that Mr. Martel is not here this morning, because in order to put this thing in its proper perspective, I think we would have to go back a little bit and look at the two former owners of the mill.

We must realize that if the present owner had not bought the mill, there would be no fish in the river and neither would there be any industry in Espanola. The pollution was so bad at that time that fish could not live in the river. If they could live there, there was no way anyone could eat them because of their taste and smell.

E. B. Eddy had done a great deal to rehabilitate the river over the last few years and the fish were coming back in large numbers and they

were good to eat. So, in all fairness, we have to point out that the present corporation has done a great deal to rehabilitate the river. To insinuate that they arranged the spill, which I seemed to get out of our last discussion last evening, was most unfair.

I also know that the New Democratic Party were not in favour of the grant that my government projected a few years ago to help pulp mills retool and become modernized so they could compete on the world market and also meet the requirements of the Ministry of the Environment.

In this particular case, the provincial government put up two thirds of \$25 million and the federal government put up one third of \$25 million to encourage E. B. Eddy to retool and rebuild their plant. As a result, the company spent approximately \$300 million on the plant over the past five years, and the project will be finished this December.

I talked with many of the workers myself. I know many of the workers because they are my constituents. No worker has ever insinuated to me that it was anything but an accident, or probably carelessness on somebody's part. There was never any indication that anything was arranged contrary to what I got out of the discussion last night.

Mr. Martel mentioned the native people's concern, and it is very true, there was a great deal of concern. As a matter of fact, a meeting was held on the Spanish River reserve which I attended, along with Dr. Foster, the federal member, ministry people, members of a local fish and game club and tourist operators.

The mill manager was there and was told that morning that his company had, over the years, done a great deal to make the river useful for tourist use and so forth. There was no indication that the mill was guilty of planning a spill. So, as far as I am concerned, I have to say that this spill was either accidental or caused by carelessness.

The unfortunate part of Mr. Martel's seeming interest in the project was that neither he nor the member for Nickel Belt (Mr. Laughren) saw fit to attend the meeting at Spanish River when there was some real dialogue as to what could and should happen from here on in. It just seems

to me that if he was so interested in having discussions with workers, he should have been at that meeting where the spill was discussed in its entirety and how the river could be rehabilitated.

Also, I understand that he got the information from somebody that only coarse fish were killed. I do not understand how you can have a spill that only kills coarse fish. As far as I am concerned, the information that I was able to get from ministry people was that it was about a 40-60 split—about 40 per cent of the fish killed were sport fish or game fish and the high numbers in that 40 per cent were pickerel.

I also got information a few days after the spill that the quality of the water in the river was probably better than it had been previously. As I understand it, the spill was not really a pollutant that caused problems to the water. It was, rather, a substance that smothered the fish. I stand to be corrected on that if somebody has other information.

It certainly was an unfortunate mishap. It is going to take a number of years to rehabilitate the river. As far as I am concerned, I am prepared to let the courts deal with how it happened and who might have been responsible. I intend to direct my attentions to helping to rehabilitate the river and get it back in service for the people who live along the river, especially the native people who depend on it for a livelihood.

I just wanted to put that on the record because I feel that is my picture of the situation.

**Mr. Charlton:** Mr. Chairman, I think I should make a few comments on the issue just to make the record perfectly correct.

I have no idea whether Mr. Martel was at any of the meetings which Mr. Lane referred to, but the information Mr. Martel related to the committee last night was not his own. It was information that was passed to him by workers whom he had been requested to visit.

10 a.m.

Mr. Martel last night stated very clearly that he did not know what had happened but that the questions raised with him by construction workers who were on the site needed to be answered. He made it very clear that he did not know if what happened was deliberate or accidental. Mr. Martel did not have the impression that the only fish that were killed were coarse fish. What Mr. Martel said last night was that he could not believe one of the press stories that came out right after the spill that said that.

We want to see that the investigation which is looking into the whole spill at Spanish River get all the information. The issue was raised last night so we could try and inject into that investigation information which Mr. Martel and Mr. Laughren had received, because they had been unable to do so to that point.

All we have asked at this point is that those things which have been passed on to Mr. Martel and Mr. Laughren be looked into as part of the investigation.

**Mr. Lane:** I would expect that the investigation will be complete because the matter is before the courts. I was not able to live with the fact that Mr. Martel was saying that people who had information were afraid to give it in case they would lose their jobs or be blacklisted. That is not a fact, I am sure. He was talking about employees. I would assume they were employees of the mill.

**Mr. Charlton:** No, he said they were construction workers on the site.

**Mr. Chairman:** I think he did say that, Mr. Lane.

**Mr. Lane:** I stand to be corrected on that. But he talked about pictures which were taken.

**Mr. Charlton:** Which will be turned over to the ministry.

**Mr. Lane:** But he has no one prepared to sign them. Anyone can pick up pictures but it is hard to get signatures. I am just not satisfied with the feeling left with the committee last night that it was planned spill and that a ditch was dug and this kind of stuff.

**Mr. Charlton:** As I suggested, Mr. Martel said clearly, and the record will show, that he did not know what happened.

**Mr. Chairman:** I think we have been given a picture and it is a matter on which only limited conversation could be held because of the fact that it is before the courts.

Unless anybody has anything else on the Spanish River situation, I will call on the minister to carry right on with his response.

**Hon. Mr. Brandt:** Yes. Just from the ministry perspective, Mr. Chairman, I trust my colleague will understand that I cannot comment one way or the other on Mr. Lane's observations, because the matter is sub judice. It creates a certain awkwardness on the part of the ministry in not being able to discuss it more fully at this time, but we trust that it will resolve itself in due course. It is before the courts.

We had questions in regard to the Ontario

Waste Management Corp., and I think we dealt with those in sufficient detail. However, if there are any additional questions from committee members we would be happy to discuss them. We had Dr. Chant here, as we all realize, for the better part of one full session. If there are any outstanding matters, certainly we can talk about them. Otherwise, I will move on.

**Mr. Elston:** Just one quick one, minister. I understand that Dr. Chant has gone from a per diem to salary. Do you know what salary arrangement he has made?

**Hon. Mr. Brandt:** Yes. Dr. Chant's salary is now at exactly the same level as a deputy minister.

**Mr. Elston:** That high?

**Mr. Chairman:** No. He has gone down. He took a cut in pay.

**Hon. Mr. Brandt:** It was, as Mr. Elston knows—and I know that his comment was made with a certain tongue firmly entrenched in a certain cheek—a reduction. I guess the matter of a deputy minister's salary is a question of public record, is it not, Mr. Deputy?

Do you want the exact figure, Mr. Elston, because I can certainly get that for you? I can assure you it is exactly the same. That is the level at which that position is now being paid.

**Mr. Elston:** The only other question is this. I know that when I spoke with Dr. Chant the other evening—and we ran out of time—originally he was looking at a budget increased to some \$11 million to do in-depth work, the geological studies in site selection processes. He was quite adamant, I know, earlier this year and in prior conversations. But I see actually we are only at, what is it, \$5.7 million?

**Hon. Mr. Brandt:** Yes, somewhere in there.

**Mr. Elston:** I think it is \$5.7 million, which is basically half of what he expected to receive at that time. Something has gone awry. Either the in-depth studies are not being done or a massive amount of work is being postponed. I wonder if you have any comment on that.

**Hon. Mr. Brandt:** No. It is neither of the observations that you have made. The budget is in the area of \$5.7 million. I could look up the exact figure, Mr. Elston.

The Ontario Waste Management Corp. board, Dr. Chant and our ministry agree that the balance of the budget is under what we refer to as a pressure-point demand line. If, in fact, those moneys are required because of the phasing of the project, we will make arrangements for the

moneys to be available through our ministry. We have not, at this point, included the full amount in the budget.

As you will recall, in the previous fiscal year there was a surplus left in that particular budget. In other words, all the moneys were not expended. We anticipate that the same thing is going to happen this year, but if the OWMC progresses as quickly as we would all like, then those moneys will be made available.

Dr. Chant is in agreement with that. If he were here, I am sure he would give you the same response.

**Mr. Elston:** He basically did say that he was pleased to know that you would give him the money he asked for. I think that is paraphrasing what he said.

I am interested in the concept of pressure-point financing. If you are prepared to double his budget from pressure-point financing, do you hold that money yourself, or do you go back to your colleagues and say, "We need another \$6 million for this particular program and we have got to have it, otherwise we are going to blow the process"? Is this money already allocated somewhere in your funds?

**Hon. Mr. Brandt:** No.

**Mr. Elston:** Or is this brand new money for your ministry?

**Hon. Mr. Brandt:** It will be new money for the ministry as a result of going back to my cabinet colleagues.

**Mr. Elston:** I take it that something similar to that sort of operation will occur if there are programs being put in place for the beaches as well and it would be looked upon as a pressure-point type—

**Hon. Mr. Brandt:** That is very possible, yes. We do not have a budget allocation for the balance of the moneys up to the total of \$10 million to \$11 million for the OWMC. If there were additional requirements or demands for a beaches cleanup program, which I indicated last night was a possibility, and we were looking at a policy change in regard to certain sewage projects and sewage treatment plans and that sort of thing, then we would have to go back for another supplementary allocation. But the money is not buried in the budget. If it is I want to know where, because I too would like to find it.

I want to touch briefly, Mr. Chairman, on the Waste Management Advisory Board. It has been suggested that this board should not have been discontinued and that it could still play a

role in commenting on government actions and providing research.

The board was originally created to advise the Minister of the Environment on matters related to waste management in Ontario. Early work was primarily concerned with beverage packaging while more recent activities had a broader scope. The ministry's capabilities in the waste management area have been recently greatly strengthened. The waste management branch was established in 1978 in response to public concern over hazardous wastes, and it has improved the ministry's planning and regulatory capabilities.

The blueprint document reflects the ministry's commitment to a new comprehensive approach to waste management in Ontario.

**Mr. Elston:** A new comprehensive approach was made in 1975, if I may interject.

**Hon. Mr. Brandt:** Quickly coming to a terminal point, if I may quickly interject, we are moving right along with that. The hazardous contaminants and standards branch also has been created and a new environmental standards advisory committee will be established shortly. The committee will ensure public output into the development of environmental standards.

**10:10 a.m.**

The Ontario Waste Management Corp. has responsibility for managing facilities for liquid industrial and hazardous waste. Most of the areas of waste management which were studied by the board are now dealt with by the waste management branch, including source separation, soft drink packaging, government recycling, office paper recovery, composting, solid waste cost accounting, milk packaging and waste management planning.

The waste management branch will continue to make use of the information and recommendations provided by the board. In particular, the Blueprint for Waste Management in Ontario provides a framework within which many of the projects which the board undertook can be thoroughly reviewed.

The question of hazardous waste, and most specifically the categories of hazardous waste, was raised by members of the committee. Questions have been raised as to how hazardous waste is defined. In other words, what categories does the waste actually fall into, and how it is monitored.

At present, wastes are classified as hazardous or nonhazardous under regulation 309 of the

Environmental Protection Act. These definitions were written over 10 years ago and do not now accurately reflect the current state of the science. We make technical adjustments on a case-by-case basis, based on our knowledge of the waste stream concerned. More recently, we have used an interim guideline contained in the blueprint for waste management to help us determine whether or not wastes are hazardous.

As part of the blueprint, the ministry proposes to change regulation 309 to classify wastes more effectively, according to their key characteristics. Wastes would then fit into one of the following three classifications, which were based in part on a system used in the United States by the Environmental Protection Agency. Those three classifications are as follows:

1. Special waste includes hazardous waste and most liquid industrial waste. It would be systematically classified according to characteristics and properties. The ministry has prepared lists of approximately 400 chemicals and waste streams which fit into this category.

2. Controlled wastes include site-specific solid waste and certain nonhazardous liquid wastes such as food processing waste, which do not fall into the special waste classification. Such wastes may be disposed of in landfills where site characteristics are judged suitable. Otherwise they are handled as special waste.

3. Municipal waste includes waste from residential, commercial, institutional and industrial sources and is composed of material typically found in normal household waste.

The new classification system will provide a firm basis for identifying and quantifying types of waste and for determining treatment and disposal requirements, as well as providing a more logical basis for approval and enforcement mechanisms.

I can stop at that point for a moment and see if there are any questions in regard to that area, because the question of classifications and definitions was raised. If it is okay to proceed, we will go on then. All right.

The subject of waybills was raised as well. The ministry currently operates a waybill system by which it monitors and records the movement of liquid industrial waste between generators and receivers. Waybills were introduced by the ministry in April 1977. For two years, a word processor with very limited capability was used to match generator and receiver forms.

The present computer system was introduced in late 1979, together with a revised format for

the waybill. This system allows matching of forms by waybill number and can produce statistical data on generators, carriers and receivers. An improved follow-up program was introduced during 1981 to make sure the ministry received all waybill forms. This program, in our view, has been very successful in reducing the number of unmatched waybill forms.

The blueprint contains several proposals for strengthening the ministry's tracking of certain types of waste. The question does arise quite frequently, how do we know whether our hazardous, or in some instances even nonhazardous wastes, are being disposed of in an inappropriate fashion? The waybill system, of course, is our method of policing and controlling that particular waste stream.

Waybill requirements would be expanded to add generators of solid, hazardous and site-specific waste. The ministry will develop a more advanced and computerized receiver profile that will identify the types of waste each receiver may accept under a certificate of approval. The information will then be matched with incoming waybill data to identify any illegal or inappropriate disposal activities.

As the members of the committee were advised, we now have a very comprehensive overview of all open and closed waste sites and disposal areas in the entire province, which is quite something in terms of an inventory overview that before was not nearly as comprehensive.

The waste generator will have to assume greater responsibility and will be required to identify his wastes and indicate the intended receiver. In addition, the receiver will be required to notify the generator directly that the waste has been received. Refused loads will have to be taken back by the generator. Carriers will be required to post a bond or other forms of financial guarantee to provide funds for the ministry to respond to illegal activities by the carrier.

Computer terminals in the ministry's regional offices will be able to access waybill data directly, and a new generator regulation will require generators of special waste and site-specific waste to register with the Ministry of the Environment. Registered generators will be assigned a number which will be included on each waybill. This will greatly enhance the ministry's ability to identify wastes that are being generated and to track them through transportation and disposal activities.

These proposals will be finalized once the blueprint document has been completed, when

the consultation process is finalized. A new site waste tracking program will allow us to know precisely where all hazardous wastes in Ontario are going.

A related question centred on polychlorinated biphenyls destruction and whether the ministry was interested in encouraging the application of industrial processes to PCB destruction. I would like to share with the committee members that since 1978 the ministry has provided over \$2 million for research and development towards the safe disposal, storage and destruction of PCBs. Over \$1 million of this money was for major projects involving mobile facilities.

Many industrial processes could be adapted to the destruction of PCBs. These include thermal processes, such as cement and limekilns, smelting furnaces and high intensity boilers. In addition, certain types of onsite waste incinerators may also be capable of achieving satisfactory PCB destruction.

We would welcome any private-sector proposals; in fact we have had some. About two days ago, I met with a group that is interested in introducing technology into Ontario on the question of PCBs. I might add without making full comment on it, because we would have to monitor it and certainly look at the technology in Ontario, this application in technology has been accepted on a rather wide basis throughout almost all of the states in the United States. Whatever private proposals we would entertain would obviously have to satisfy our regulatory requirements.

Industry is naturally reluctant to initiate such proposals for fear of possible criticism from the public. Our response is to establish the proper regulatory framework within which they may operate while providing full protection of public health and safety.

We are at the moment placing the emphasis on mobile destruction technologies; in other words, where the wastes are located, either inventoried or where they are in fact generated, is where the mobile destruction facilities would be moved to.

Regulatory proposals are now under development to encourage private-sector proponents of mobile technologies. These proposals will be subject to public hearings.

These are the comments that I have to make on PCBs. If there are any questions, I would be happy to address them now.

**Mr. Elston:** I am interested in the waybill system. I do not know how you would improve

upon what suggestions you have made with regard to the new regulations which will come out after the blueprint is finished. I suppose it still remains to a large extent impossible to determine what happens to the material once it gets onsite or if it is really ever received. As long as a site is willing to acknowledge receipt of the materials, that is really the essence of your waybill system. As long as you can match the generator and the receiver, then that indicates, for your purposes, that the product has been dealt with.

10:20 a.m.

In the Upper Ottawa Street dump area, for instance, I understand that loads of materials used to be dumped in there and more or less disappeared. As a follow-up to the waybill, what sort of steps are you taking to deal with that material once it gets on site, once it is actually contained in—

**Hon. Mr. Brandt:** There are a number of applications that can be used. One technology that is being looked at—it does not necessarily apply to each and every site because of the specific conditions that may be contained within the particular site and the contaminants that one has to deal with—is, for example, in the Uniroyal site. In response to a question in the House the other day, you will recall that I talked in terms of the potential application of purge well technology where we would attempt to remove the contaminants through—

**Mr. Elston:** No, I am familiar with that.

**Hon. Mr. Brandt:** Is that the sort of thing you are talking about?

**Mr. Elston:** No. What I am suggesting is, let us say you as a generator send me a load of corrosives or something—I do not know what you might send me—and I indicate that I accept them. How do you know that I actually have those on my site or whether I, in fact, take them from where I had them and move them on myself to lengthen the useful life of my facility?

**Hon. Mr. Brandt:** The site is, in fact, licensed.

**Mr. Elston:** I realize that.

**Hon. Mr. Brandt:** If your thoughts are running along the lines of someone who wants to conduct himself in some illegal fashion, I suppose the example we could use is the King township site where, in fact, all three were charged by this ministry for inappropriate activities—the generator, the transporter and the disposal site—

**Mr. Elston:** That is fair enough; I appreciate that. What I am getting at is somewhat more subtle. The use of a licensed site more or less as a transfer station is really what they are doing or could be doing. How do you know that the material they receive is actually staying on that site and being processed or disposed of on that site? That is really my question.

**Hon. Mr. Brandt:** Perhaps Ron Gotts would come forward. I was going to have Ron talk about waste disposal sites in any event; perhaps I can move him up a little bit.

Mr. Gotts, I believe you heard Mr. Elston's question. Where a particular contaminant was to be dealt with, let us assume for the moment, on a licensed site but was not disposed of there for perhaps financial gain or economic reasons or whatever but was transported elsewhere, how would the ministry deal with that case?

**Mr. Gotts:** The situation is like this: We could pass laws against bank robbery but that would not stop bank robberies. The proposals in the blueprint and what the minister talked about this morning substantially improve the net we have over the operation.

For instance, bringing the generator into the picture suggests that if activity was to take place such as you mentioned, there would probably have to be collusion on the part of all three parties. Whereas, right now, without the generator being required to get notification from the receiver and so on, he may be under the assumption that everything is okay. That certainly helps to ensure appropriate disposal.

The aspect of collusion of three parties to circumvent that legislation is pretty substantial and probably removes major opportunities for somebody to do something illegal. We could tie that in with other proposals in the blueprint which deal with definitions and applications of the waybill to recyclable materials. Up until now they largely have not been covered by a waybill except on a voluntary basis. That is an area where we have some concern that the opportunity exists for illegally transferring waste.

In effect, we are now saying that if you recycle and your material goes from the generator to the location that uses the material in its recycling, you will not need a waybill. But if we have transfer stations, etc., as intermediate operations, then you need a waybill. You will be able to monitor that transfer station in and out and certainly cut off the opportunity, or substantially reduce the opportunities, for any illegal or inappropriate activities around intermediate transfer and handling of materials.

**Mr. Elston:** But basically there is no way, once that material is acknowledged on site, of following it to its natural—

**Mr. Gotts:** Other than our field program of inspection, and of course that involves the special investigation unit—referred to as SIU—and our standard abatement officers, which is in another division. For instance, they follow up any concerns we have about waybills. We do the matching at head office using computerized systems. If we find a lack of match, we turn it over to the SIU and they pursue it in the field.

The ultimate answer to your question, if one had the resources, would be to place an inspector on every site. That is quite onerous. I think the audit systems we have in place, in terms of the field inspection programs of the other division and our own waybill system, and the changes we are making to bring the generator into the picture and recycled materials in the appropriate situations under the system, all but eliminates the illegal activity other than that committed by the most devious minds. If we have those, then we will have to get after them.

**Mr. Elston:** I think most of those are in cabinet now, are they not?

**Hon. Mr. Brandt:** No comment.

**Mr. McGuigan:** Can I ask a supplementary?

The minister and yourself have mentioned the percentage of mismatch. No, you have not given us the percentage of mismatch but I understand that when this program began in 1977, there were hardly any that matched. What percentage do you have that now match?

**Mr. Gotts:** I can provide the actual percentages later but I can reflect on anticipating that question back in June when the estimates were on. We did a check for about an eight-month period. There were something like 16,000 transactions involving 32,000 waybills. Over that time, only one had not been matched. Just one waybill had not yet been matched.

In effect, with our follow-up system now, we pursue them to the bitter end. If they are not matched, we make every effort to find out why.

Initially, the follow-up system involves approaching head office by telephone. That follow-up is not just directed at unmatched waybills but what we refer to as dirty waybills. In other words, waybills with information missing, that are illegible, that type of thing, and tardy submission of waybills. After we have gone that circle, if we still do not have a match, then it is immediately turned over to our SIU to follow up

in the field dealing with the generator, hauler or receiver.

**Mr. McGuigan:** What do you find when you follow these up? What are the sort of circumstances that have caused a mismatch, if you could just give us an example?

**Mr. Gotts:** Since my tenure, I cannot recall any that we followed up where we had not been satisfied with a match, other than the one I mentioned that we were still pursuing. The type of thing that might happen is a mistake in classification. Somebody classifies a waste wrong on receipt and therefore you have difficulty in making a match. You may have the waybill but they may not match.

**Mr. McGuigan:** You are not finding fraud then as—

**Mr. Gotts:** No, not with the ones we are dealing with now. I attribute that to a three or four-year period of demonstrating to the industry that we intend to follow every waybill. If they have ulterior purposes, we will find out. In fact, when we do, their certificate that allows them to be in the business is at risk. That is a pretty fair sledgehammer over most of these operations.

If they were involved in fraud, the options open to the ministry would be to pursue prosecution. Presuming that was successful and the circumstances were serious enough, there are also provisions for revoking certificates. In effect, you could take away the livelihood from somebody who chose to do other than what was acceptable.

**Mr. McGuigan:** Have you done that in the last three or four years?

10:30 a.m.

**Mr. Gotts:** We have not done that. There is a case before the courts, King township, that involves people who are licensed by this ministry. The outcome is not yet known, of course.

**Mr. McGuigan:** What sort of spot testing do you do to verify that certain chemicals are in a truck? For example, the truck might leave plant A carrying oily water. The driver stops along the way at a little plant and picks up some cyanides or something and then delivers the whole lot as oily water. Do you do any spot checking to ensure that the load is oily water?

**Mr. Gotts:** We have not done so in my tenure, but I believe it was done in the past. I know we also do border checks by having an inspector at the international border to monitor transboundary carriers.

With the new proposals that I have just

discussed, I think the trucker will be very reluctant to mix loads. In other words, to get a waybill, a generator number at one location and then move to another location and, to use your example, mix cyanides with oily water, he now has a problem if that load is refused. Whereas if he keeps them separate, the generator is required to take them back on refusal. If he does not keep them separate, then he is going to have a problem in that the carrier is going to have the waste.

The generator is not going to get his waybill back and he is obligated to report that to us. In other words, he is not going to get notification from the receiver. We know who the carrier was in the transaction, so I think the net is very tight to really reduce the opportunity for mixed loads of materials getting to receivers who are unacceptable.

I also think people in the business today in the more sophisticated facilities which are handling a large percentage of our wastes, such as Tricil Ltd., are very cautious in doing their own analytical work when that truck arrives at the gate.

Canadian Oil, for instance, had an opening recently and took us through their laboratory. They showed us how they can fingerprint the contents of a truck in a matter of minutes using a computerized analytical system. The truck is not emptied until that exercise is completed.

**Mr. McGuigan:** Are they doing that on every truckload?

**Mr. Gotts:** Yes, every truckload, because if you miss on one it can destroy your whole process of operation.

**Mr. McGuigan:** You really do not see a need for the ministry to do chemical spot checking?

**Mr. Gotts:** That is an option open to us at any time we think it is required, either from just a general audit or because we smell something unpleasant in a particular area of operation. We could do that at any time. We certainly have the technical capability and the authority to institute that at any time.

**Mr. McGuigan:** Thank you.

**Mr. Charlton:** Mr. Chairman, there are a number of things I would like to get into. I think you were here the other night, Mr. Gotts, when we had the lengthy discussion with Dr. Chant. I do not want to get into a long debate about the figures in terms of actual volumes in the province. I think the minister made it very clear that the joint committee which is now operating is looking seriously at that.

Presuming that the actual figure of toxic liquid waste being generated in this province is somewhere between the figure the ministry has traditionally used and the considerably large figure that Ontario Waste Management Corp. came up with a year ago, what is happening now in terms of trying to identify what additional volumes there are, what categories they fall into and what is now happening with those wastes?

**Mr. Gotts:** There is activity on several fronts. I think the first thing one needs to understand is why those numbers are different and why you would expect them to be different.

The number that the ministry uses, of 5 million to 60 million gallons of waste, is from the waybill system. This system, as already described, has certain limitations that are being taken care of in the blueprint proposals. The label system monitors only liquid industrial waste, not hazardous solid waste for example. Dr. Chant's corporation would be, however, physically concerned with that aspect. So right away there is one major difference.

I think the other aspect is that Dr. Chant's number is a holistic number, in effect, of what is being generated out there. It does not deal except in terms of municipal sewage sites, with what is being handled acceptably by the generator now. Certainly, many generators treat their own wastes to satisfactory levels.

The number the corporation has produced is that kind of holistic number which it is probably necessary to get but which does not necessarily reflect the market for the corporation's activities.

**Mr. Charlton:** I understand that. In your comments, you mentioned that the waybill system currently does not include solid hazardous wastes. What kind of identification system is in place in the ministry to monitor what is happening with hazardous solid waste? What is happening to it? Where is it going? Is it being dealt with properly?

**Mr. Gotts:** The system in place is the case-by-case handling of certificates of approval for onsite facilities or offsite facilities for those types of wastes and the field inspection program that I referred to earlier.

The problem is, because these have not up until now been waybilled, and we are proposing to waybill them, including the onsite disposal of such wastes, it is not possible to generate statistical information in any reasonable time frame.

In effect, from an environmental regulatory control point of view we know what is happen-

ing on a case-by-case basis, but we find it very difficult to pull those numbers together to present a rather holistic figure.

**Mr. Charlton:** In terms of the difference in numbers—some of the volumes that have been described in Dr. Chant's or the OWMC's holistic figures, such as the contaminated foundry sand the doctor told us of the other night—what is happening in the ministry to try to identify all of the numbers or volumes between your 55 million or 60 million gallons and the 330 million gallons, so you can add up to the same total and know what is happening to everything; i.e. what is being done to identify whatever portions over the 60 million may be toxic, hazardous liquid waste that you are not now catching in the waybill system?

**Mr. Gotts:** That area is being looked at by a joint committee that the minister and Dr. Chant referred to the other evening, where we are co-operating with the corporation in looking at the whole question of waste quantities and waste quantity identification.

The main undertaking right now besides our blueprint proposals, which will take some time to implement—hopefully, early in the new year—is that the corporation has proposed a study in which we would look at the terms of records. In other words, an additional study is proposed that would try to bring some refinement to the waste quantity question.

**Mr. Charlton:** We have had a number of options. We had a series of incidents in the triangle here in Toronto with liquid wastes that ended up in sewers. My understanding is that most sewer dumping like that is supposed to be done with some kind of an agreement with the municipality. In other words, there is supposed to be knowledge that it is happening and permission for that to occur. But obviously in the Junction triangle case there were wastes which ended up in the sewers which should not have been there.

10:40 a.m.

What kind of inventory do you have of the wastes that are going into sewer systems across this province? How do you monitor that? How do you know what is going in and what is not going in? For example, in a city like Hamilton, the industrial core is between the residential areas in the city and the sewage treatment plants, so that if there were volumes of very toxic and hazardous liquid wastes going into Hamilton sewer systems they would not end up going through residential areas before they got

to the sewage treatment plant or to the end of the storm sewer, whichever the case might be.

One would not have the catching system in place, which is people getting ill from fumes or whatever the case happens to be. How do you keep on top of that aspect of waste disposal?

**Mr. Gotts:** I propose to answer in two areas. First, the control of discharge to municipal sewers rests with the municipality. The ministry has developed model municipal bylaws to guide municipalities in setting their own bylaws to control those discharges. They have or should have, depending on their industrialization and so on, enforcement programs in place that are similar to what we would do for discharges to watercourses; in other words, inspection, sampling, analysis and that type of thing.

If it is discharged to the sewer, the prime responsibility at this point rests with the municipality to know what is going into its sewer and whether it complies with or contravenes a bylaw. If it contravenes a bylaw, the bylaw gives them certain action they can take to have it brought into place.

On the assumption that there may be things going into municipal sewers that should not be, the survey work that is being done in terms of identifying base quantities deals with the whole industrial sector, whether it is our municipal sewers or not. If there are materials discharged to sewers the waste quantity study addresses that and should identify what materials are generated that require special care and handling. Then those numbers will pop out, no matter where they are going now, whether they are going into a sewer, a storage tank or whatever. They will pop out, based on the survey work being done on waste quantities. There are the two aspects.

**Mr. Charlton:** I understand what you are saying, but there are a number of questions which are left unanswered. I will go back to the Hamilton situation. I do not know if you are familiar with the Windermere basin or not, but the ministry did a study of the Windermere basin which was released, if I recall correctly, last fall. There were high levels of contamination for a number of substances in the basin, but I think the major problem was polychlorinated biphenyls, PCBs, although there were a number of other very toxic and hazardous substances.

The problem in terms of the study on the Windermere basin is that the main sewage treatment plant in Hamilton empties into the Windermere basin and the Redhill Creek empties into the Windermere basin; the Redhill

Creek being a creek which drains the Upper Ottawa Street dump. The committee which is studying the Upper Ottawa Street dump has identified some levels of some of the substances in Redhill Creek that are found in the basin.

The levels that have been identified in the Redhill Creek by the study committee at the dump site do not come anywhere near comparing with the rate at which the levels in the Windermere basin are increasing, which would lead one to believe, just on the surface of it, that there must be additional volumes of those toxic substances coming out of the sewage treatment plant. That may not necessarily be true, but at some stage we have to get the answers as to why places like the Windermere basin are increasing in the levels of their contamination at such an incredible rate.

It may be that the testing program on the Redhill Creek is just not sophisticated enough or frequent enough to catch it all and it is all coming from the dump. I do not know and neither does the study, but those questions about the rate at which the contaminants collecting in that basin are increasing get left unanswered.

**Hon. Mr. Brandt:** Mr. Charlton, I am going to call Grant Mills forward, since he is dealing specifically with the Windermere basin. You have raised a couple of questions in regard to levels of contamination and I think Mr. Mills will be able to address those points.

**Mr. Mills:** Mr. Chairman, the levels which are referred to are historical. They are not increasing at this time. It is from age-old, year after year, uncontrolled discharge of PCBs and they are in the lower area of the sediments, so I do not think there is a detectable, continuing discharge of PCBs to that watershed or to sewers that discharge to the watershed.

**Mr. Charlton:** That certainly was not the impression we were left with after discussions we had with the pollution subcommittee or the environmental subcommittee of the Hamilton city council. We met with them in May of this year to discuss the Windermere basin report.

**Mr. Mills:** It is in the sediments, there is no doubt about it. The stuff is in the sediments but it is from age-old, historical discharges. What information did you get from the committee on that?

**Mr. Charlton:** The indications were that the problem had reached the point where the basin was saturated and that the prospects of the potential for that contamination to begin to

move out into the west of the harbour and ultimately into the lake itself was a serious concern.

**Mr. Mills:** We are addressing that now but the first conclusions we have are that it is not moving out. It is trapped in the sediments. The question is, is it creating a problem as it sits in the sediments? To the best of our knowledge it is not being resuspended nor does it re-enter the water column. They are very tightly bound in the sediments. They are there, there is no doubt about it, and they are just about as high as you can find anywhere.

**Mr. Charlton:** Yes, I understand that.

**Mr. Mills:** We are now attempting to address whether or not they are moving out. The first indication on the studies we have done to date are that they do not re-enter the water column, that they are pretty tightly bound. There is no evidence in detectable levels of material moving in from Redhill Creek through Windermere basin and into the harbour generally, but there is a considerable amount of PCBs.

**Mr. Charlton:** What has been done to try to match, to use the word they use in the waybill system, the figures in the study that was released by the dump site study committee in terms of the contamination found in the Redhill Creek with what you are saying now, that at the other end of the creek you are finding no detectable levels?

**Mr. Mills:** The dump site committee studies found that it matched the information we gave them. There were low levels of PCBs in the sediment adjacent to and immediately downstream. I do not know if you recall the controversy; one lab had done an analysis and it was out by a factor of about 100,000 in its reporting. We actually had the actual sediments that the lab had reported on, we resampled and they are very low levels of PCBs in the sediment, not in the water itself.

In reference to the question that you were talking about earlier, about what goes to the sewer, what flows through the sewer system and possibly through a residential area into a sewage treatment plant, there is also a very comprehensive study being done with the regional municipality, federal government and Ministry of the Environment to determine the fate of exotic chemicals in the sewer system as they go through the sewage treatment plant. Are they bound in the sludge? Are they all collected in the sludge? What goes through in the liquid

discharge? What goes into the sludge to be incinerated, and what leaves the incinerator?

10:50 a.m.

**Mr. Charlton:** For example, I have a concern about the findings in the Upper Ottawa Street study. You are saying those figures basically came from your testing. If you are at all familiar with the Redhill Creek and Albion Falls, what basically happens with that creek every spring is that there is a flood. What concerns me is, how much of the contaminated sediment is getting washed out of there every year, over the falls and further down the system?

**Mr. Mills:** I could not give you a definite answer on that, but I do not think there is that great a scouring velocity. The watershed above the creek is not that great. As it approaches the falls, there is quite a flow; traditionally, and probably in every water system, the spring runoff does scour and abrade to a certain degree, but the levels in the sediments have not changed appreciably over the period of time we have been monitoring.

**Mr. Charlton:** Which is how long? Since 1978?

**Mr. Mills:** Probably before then. But I do not think they have changed materially in that period. There has been very tight control on the use and disposal of polychlorinated biphenyls. I think we have found that generally; it is manifested in the lowering and continued decline in levels of PCBs in fish. It has been very tightly controlled. There is much better storage, much better control on the storage sites, and they do not just indiscriminately put a gallon or two into the sewer systems.

**Mr. Charlton:** I understand that. My problem is with what is already in the dump site and what may or may not be put into sewer systems by those who are not quite as responsible as they should be.

You say you are doing ongoing studies now in terms of the Windermere basin and the potential for any of that material getting out into the middle harbour.

**Mr. Mills:** We had a specific study on the sewage treatment plant and a very detailed study on whether the stuff—not just PCBs, but any material—is released from those sediments and into the water column.

**Mr. Charlton:** What kind of time frame are we looking at before we see some results on that kind of thing?

**Mr. Mills:** The field work will be completed this fall; then it is a matter of getting the analyses, reducing the data, and putting it into some semblance of a report.

**Mr. Charlton:** Basically, what would happen at the stage at which it is determined that contaminants are moving out of the basin?

**Mr. Mills:** It would require an altogether different look at what has to be done with the sediments in the basin. The information we have to date suggests the problems with Windermere basin are aesthetic: it really does not look very good. It is not bad at night, but in the day time it does not look very good.

If there were a danger to the aquatic environment—fish and aquatic life in the harbour—or a potential for contaminants to be re-released into the water column and a threat to the water supply, then it would require a very serious in-depth look and some action to remove those sediments.

**Mr. Charlton:** Back to the question around sewers. You say they are doing tests. Are they testing the water coming out of the sewage treatment plant or the water going into the plant?

**Mr. Mills:** Mass balance—the whole thing.

**Mr. Charlton:** How often is that done? And is that the kind of thing that is done everywhere, or is it just being done in Hamilton because of the basin situation?

**Mr. Mills:** It is a pilot study.

**Mr. Charlton:** It is not the kind of testing that is being done everywhere?

**Mr. Mills:** Not regularly, no. All the industries and all the sewage treatment plants were done in depth probably four or five times as part of the Niagara River toxic study. The results are available on those.

Again, it was not an attempt to do a mass balance of what is coming in; it is just what is leaving the sewage treatment plant and what, if any, is its impact on the Niagara River or the—

**Mr. Charlton:** In the case of the Hamilton plant, how often is that done?

**Mr. Mills:** This is a one-shot study at this point.

**Mr. Charlton:** But you are taking tests of the water coming out. How often are those tests taken?

**Mr. Mills:** I am not sure, but the study started in April, I think, and will progress into the fall. It is a question of lab capability federally and provincially.

**Mr. Charlton:** I am not so concerned about the labs, I am more concerned about—

**Mr. Mills:** It will cover the spectrum. It is 24-hour composite sampling for three days running. They drop it for a while; then they go at it again for 24 hours. It is not known, if you like, to any industry, but it is a short-term—

**Mr. Charlton:** That is what I was getting at.

**Mr. Elston:** Mr. Chairman, I have a couple of questions, but they are more for Ron, I think, concerning the 16,000 transactions in that eight-month period he had mentioned. What estimation do you have of that as a percentage of the total disposal transactions that went on in the province?

**Mr. Gotts:** I could not estimate that, because it only refers to those things that are now subject to the waybill process.

**Mr. Elston:** You are not contending, though, that the 16,000 transactions are 100 per cent of the waste disposal operations in Ontario, I take it.

**Mr. Gotts:** No. I could not contend that because, first of all, the waybill does not apply to solid wastes, which can be transactions from generator to receiver.

**Mr. Elston:** Okay. Let us get to just the liquid material.

**Mr. Gotts:** Obviously one would have to look back only a few months to say it does not apply to all transactions, because it obviously did not apply to King township.

**Mr. Elston:** You are not prepared to estimate, though, just how far the current system goes in tracking those waste disposal transactions.

**Mr. Gotts:** I would respond this way. I am reasonably confident that those things that are subject to the waybill regulation are almost totally covered.

**Mr. Elston:** How many items are not covered?

**Mr. Gotts:** I think we are going around in a circle here. Obviously I could not tell you how many transactions that should have been covered by the waybill regulation might have taken place illegally. All I can say is that if we knew they took place illegally, there would be every chance that we would respond in the same way we did in King township.

**Mr. Elston:** Okay. We saw a little circle graph that was generated by the Ontario Waste Management Corp., which suggested that a certain percentage of disposal operations are unknown. Do you agree with the circle graph in terms of

the overall picture, whether we are talking 60 million or 61 million gallons or whether we are talking 330 million?

**Mr. Gotts:** I am not aware of the information that was used to estimate this five per cent unknown, and their unknown went far beyond what the waybill covers. The waybill covers liquid industrial waste that is transported and disposed of. It does not deal with what goes to sewers, it does not deal with solid wastes being transported and so on.

In my estimation, the percentage of those materials whose transactions are to be covered by the waybill as it exists at present would be much less than five per cent. I could not speak to the question of how OWMC or its consultants arrived at the five per cent estimate, because that was not provided in their report.

**Mr. Elston:** And you are not prepared to provide us with an estimate of what percentage you think goes untracked?

**Mr. Gotts:** Of those subject to the waybill, I can only repeat that I suspect there are very few transactions, because we receive information from our own monitoring and from the public.

**Mr. Elston:** That is fair enough. The changes that are suggested in the blueprint are an attempt to expand the waybills' impact. What increase do you anticipate through that expansion of the waybills' impact?

**11 a.m.**

**Mr. Gotts:** First of all, there are a number of changes, and you have to look at the total perspective. The major change for us, from an administrative point of view, will be generator registration, which does not relate directly to numbers of transactions but which certainly will give us a handle on the number of generators. We have estimated, if I recall the figure correctly, up to 20,000 generators that will have to register.

Some of those may not be involved in a transaction for many months or perhaps even for a few years. If they generate small quantities, even though of a hazardous nature, they may have storage on site to get to reasonable quantities to deal with.

**Mr. Elston:** But you expect more than 16,000 transactions.

**Mr. Gotts:** Absolutely. In applying the extension of the waybill to onsite activities, to recycleable materials that go through some intermediate handling, such as a transfer station, and to solid wastes, they will all be

additions to the waybill system in terms of wastes that are now or would then be required to be waybilled and to have copies of the waybills submitted to the ministry. I cannot give you an estimate of what that might do, other than a wild guess that it might double the transactions.

**Mr. Elston:** I do not want to be unfair, but in some ways it sounds as though we really do not know the magnitude of the problem for which we are trying to find a solution. Is that fair? If you think it is unfair, tell me.

**Mr. Gotts:** I think it is fair to say we certainly do not have the statistical knowledge of the magnitude of the problem. On the other hand, under the new regime we would have knowledge of many of the materials that would be waybilled but are not currently, and they would be licensed activities. For instance, there would be certificates of approval issued for onsite disposal of hazardous material. The only thing that is missing is the waybill approach, which gives you an opportunity to do a thorough statistical analysis of quantities etc.

**Mr. Elston:** With the advent of operation by the Ontario Waste Management Corp., do you see an end to private waste disposal sites in Ontario?

**Mr. Gotts:** No, I do not. I do not believe OWMC was created either to compete with the private sector or to duplicate their activities. For instance, where Tricil has incineration, I expect Tricil will continue to incinerate waste materials they are licensed to handle; that is, nonhalogenated hydrocarbons. On the other hand, those materials that cannot be handled by Tricil now, such as halogenated hydrocarbons, would go to an OWMC facility when it was created.

**Mr. Elston:** I guess the question really comes to a point of how we decide what cost is to be applied to the charges for the users of these. Perhaps I can direct my question more to the minister. How are you going to guarantee, or do you even wish to guarantee, that the operation by the OWMC does not put the reputable waste disposal site operators out business?

I am concerned with respect to how you formulate charges. I know Dr. Chant is trying to make some effort now at providing a costing formula. Is it your opinion that the public will have to pay the capital cost, the construction cost, of the facility for OWMC? If that is the case, what charges are you going to suggest be levied by OWMC with respect to the process-

ing? Merely operational, or are you trying to get back some of the capital cost from the waste generators?

**Hon. Mr. Brandt:** It is intended to place the OWMC on a self-sufficient basis. In other words, it would be competing on a direct, fair and equitable basis with the private sector. It is not intended that the taxpayer per se should in any way subsidize that operation, either capital or ongoing operating costs. So the costs that would be assessed against the generators of waste would be charged at a rate that would allow that plant to operate in an economically feasible fashion.

**Mr. Elston:** Okay. So for the purposes of this Ontario waste management site or sites, the capital will be looked upon as a loan from the province or the people of Ontario?

**Hon. Mr. Brandt:** Yes.

**Mr. Elston:** And there will be a servicing of interest charges?

**Hon. Mr. Brandt:** Yes.

**Mr. Elston:** And all that will have to be written up in the charges for the users?

**Hon. Mr. Brandt:** Exactly. That is the intent at the moment. You know the best laid plans can sometimes go awry.

**Mr. Elston:** How does that jibe with Dr. Chant's suggestion that the onus for dealing with the disposal of these materials rests not only with the generator and those who use the product but also with the public in general? I just do not take from the things we have talked about with Dr. Chant that he feels he is going to have to pay back all of this money.

**Hon. Mr. Brandt:** No. I think he understands that is the case. That is the understanding at this time between the government and my ministry. Of course, the government has been involved, as well as my ministry, in that it was the government's initial proposal, starting with the Premier's office, as you are well aware, to establish such a facility. But it is the intent to have a full, complete and total recovery.

**Mr. Elston:** Does that include the past budgeted moneys that we have put out as well, the \$5.7 million?

**Hon. Mr. Brandt:** Yes.

**Mr. Elston:** Or \$11 million?

**Hon. Mr. Brandt:** Yes.

**Mr. Elston:** All of that would be recovered by charges from the generator?

**Hon. Mr. Brandt:** Yes. It is intended that it be a total recovery to the extent that is possible.

**Mr. Elston:** Oh, really?

**Hon. Mr. Brandt:** It will not be subsidized. To follow the principle that the polluter pays, those people who are generating the wastes that have to be disposed of would have a charge levied against the wastes they generate to get rid of them.

**Mr. Elston:** So basically this is a government project, totally financed by government in its initial phases, which will be paid for solely by industry in the long term?

**Hon. Mr. Brandt:** Yes. The blueprint document indicates there are a number of different philosophies that one might use in terms of how you approach the cost and the expense of disposing of hazardous wastes. One way that is used by the Superfund approach in the United States is to generate a cost against all generators of contaminated hazardous wastes in whatever form.

Our approach in the blueprint document is to assess the costs against those wastes that have to be disposed of, not against the generators of whole series of products, as an example, where the sum total of all chemicals would have a surcharge or premium of some kind placed on them. But at the other end of the waste stream you have those chemicals and those hazardous wastes that have to be disposed of.

The reason for this approach—there is a very fundamental reason for it—is that at some point between where you actually produce the product and where you actually have some residual part of that product remaining that has to be disposed of, it is our hope—and it is happening—that there will be a very substantive amount of recycling.

As an example, in the oil industry they are taking oil through a detergent process; they are doing it right here in Toronto and in various sites throughout Ontario. They are making use of and reusing that oil by the recycling of the product. To encourage that, it is our feeling—and I believe we are right in this point—that we should be charging the cost directly against the residual waste that ends up after the product has been used to its greatest and highest extent.

**Mr. Elston:** Maybe I should change the tack of my question. Since the private sector is going to sponsor this government program, how are you going to guarantee that OWMC is not going to go out of business by the time we go through this very long and elaborate process? Are you

sure that OWMC is going to come up with a user charge that is palatable to the industries and will allow them to use the service? Are you comfortable with the type of charges which you may be projecting now for OWMC?

**11:10 a.m.**

**Hon. Mr. Brandt:** Until we have an absolute specific fix on the volume that it is going to handle, which gets back to your earlier question about what the private sector is going to do—firms like Tricil—I do not think one could answer that question in the absolute sense. I can tell you that it was the intent of my predecessor, and it is my intent, to put that operation on a self-sufficient basis where it pays back to the taxpayer the amounts of money the government has invested.

**Mr. Elston:** Every dollar?

**Hon. Mr. Brandt:** Yes. That may well not happen. I do not know at this point. I can only tell you that that is the intent. It is going to be some number of years into the future. I would anticipate that through the startup period you are probably going to see some continued subsidization.

I would think that the kind of up-front capital investment that is made now obviously has to be recovered, along with the ongoing operating costs of that facility. But the intent is that the amount of waste that is generated, and the charges levied against those volumes of waste, would be sufficient to recover the costs. It would be over some period of time.

**Mr. Elston:** OWMC is being set up to make a profit from the waste disposal industry, I presume. If it is going to maintain itself, it will have to have a profit built into the charges.

**Hon. Mr. Brandt:** Either that or at least it will be on a basis where it provides an extremely critical and valuable service to the public on a no-cost basis.

**Mr. Elston:** I guess it cannot be self-sufficient unless it does make a profit or unless we are prepared, over the long haul, to provide continued capital infusion. There are only one or two ways of getting it back.

**Hon. Mr. Brandt:** No, there is a third way—break even.

**Mr. Elston:** There is no way to break even when you have to replace your plant. You have to have money there.

**Hon. Mr. Brandt:** I am talking about net profit, bottom line, at the end of all costs.

**Mr. Elston:** But you are going to have to make

a substantial profit, I presume, to be in a position in the beginning.

**Mr. Harris:** That is not profit. What the hell are you talking about?

**Mr. Elston:** Listen, Mike, you have to understand that he is going to have to build up a fund in the initial years if he is going to pay for his renovations down the line.

**Mr. Harris:** It is not profit.

**Mr. Charlton:** It is profit. If you end up with a capital facility left over that somebody else has paid for, it is a profit.

**Mr. Elston:** All I am doing is seeing how this thing is going to become self-sufficient because that is the goal of the minister and the ministry. We have to have some feeling for the type of charges that are going to make this OWMC facility competitive with the private disposal site about which we were just speaking.

Also, we must ensure that we are not going to price ourselves out of the market after a substantial infusion of money and technology. That is really the only sense. I am not condemning them for doing that. I just want to have a feeling for the type of things that have to happen. To be quite honest, I see nothing wrong with making a profit so that you can maintain yourself in a very efficient operating position.

I did not say it was bad or anything like that. I just want to get a feeling because I had understood from Dr. Chant that he was looking at a break-even operation in terms of operational costs. But that is a considerable difference from what we are talking about now. I just wanted to get a feeling on that and find out how this was going to fit with our private operators. There is a business field already out there, and I know we cannot eliminate them and still expect our entire program to work efficiently. That is really the situation I am getting at.

**Hon. Mr. Brandt:** I think there is another dimension to the question, too. It comes up frequently whenever government becomes involved in an area of activity that is at least in part being carried out by the private sector. I share some of the same concerns that were expressed by Mr. Elston in terms of the competitive aspect of it.

The difficulty is to get a balance in terms of the charges that are appropriate that will be sufficient to retire the debt and carry on the operating responsibilities of the corporation. At the same time, those charges have to be balanced so that they are not too high which, on one hand, would perhaps discourage the private

sector from using the facility and, on the other hand, they cannot be too low where they are competing unfairly with the private sector.

Dr. Chant was in attendance, as I was, at the opening of the Tricil facility. This very question came up on a rather frequent basis from the media. Will OWMC ultimately knock Tricil out of business? I think if Tricil were to answer the question they would tell you they are able to look after a very large portion of the industrial waste that is generated in Ontario today.

It's in my own riding—well, it is actually adjacent to my riding but in my area.

**Mr. Elston:** Why don't you annex it?

**Hon. Mr. Brandt:** It is in the great riding of Lambton. I can assure my colleagues that the member for Lambton (Mr. Henderson) is looking after it with great interest.

The Tricil position is that it can look after the waste. OWMC's position is that there are more exotic, sophisticated, complicated wastes that are going to have to be looked after by a thermal-type unit that burns at much higher temperatures.

There is room, as I see it at the moment, for both facilities, or even more. There is certainly room for a series of transfer stations, as Dr. Chant described them, such as we have in Mississauga at the moment. The member for Mississauga South (Mr. Kennedy) was at the Tricil opening as well because he has a particular interest in it. Mississauga has had difficulty disposing of some of the wastes it generates so he wanted to see the Tricil facility. The very first load that was taken there happened to be generated by the Mississauga area.

My view at this time is that there is room for both and that the costs assessed against the generators of waste will be fair and reasonable. But we have this balance built into the system—this kind of a review we are having here today will continue a year from now, a year after that and on a continuous basis. So if the charges merit a review in the view of this critic or whoever might follow him—and he will be the critic for a long time I am sure—the reality is that they can review the situation as more up-to-date information is produced.

I cannot give the member all the absolute answers he seeks—I hope he can appreciate that—but I can tell him the philosophy in general.

**Mr. Elston:** Say I develop a proven technology and would like to bring it to Ontario, would I be allowed, as a private entrepreneur, to set up

in competition to OWMC, or is a set of materials retained for disposal by OWMC alone?

**Hon. Mr. Brandt:** There is a partial answer to both questions. To the specific case in point, I have had submissions already on the destruction of polychlorinated biphenyls.

**Mr. Elston:** Dr. Chant is not unduly worried about PCBs. He is building his facility to deal with those, I understand. At least that is what I took from his remarks. He feels there is enough technology available in various areas now to handle that.

**Hon. Mr. Brandt:** But you are talking about the introduction of new technology which might be competitive with the OWMC. It is not an absolute certainty at this point. If a number of other things fall by the wayside particularly, OWMC will not be responsible for the PCB problem.

The private market is working in the United States to a reasonably satisfactory extent, I believe. The one technology I am mentioning, which is mobile and portable, has been approved by all of the states. It is a technology where the interested parties have indicated they want to come into Ontario. My approach, and the approach of my predecessor, was to encourage that kind of technology to come into Ontario. The bottom line is that there is a market here. I guess it is very difficult to determine the extent and size of that market in all cases.

One should keep in mind that a lot of the waste we generate now is being transported across the border. Some of it is going to the United States and in other instances in eastern Ontario perhaps to a facility in Montreal.

**Mr. Elston:** Across the border?

**Hon. Mr. Brandt:** The Quebec provincial border, yes.

The only way I can answer the question is that we are not discouraging new technology or new operators from coming into the market here. I would think someone who wanted to go head to head with OWMC, in fairness, would have some problems today because the OWMC technology is state of the art. It is absolutely at the leading edge of what world technology can produce for us today.

We have looked at and have very carefully assessed what is available in the most sophisticated markets in the world, such as Europe, where they have had some difficulty dealing with these kinds of things. We think we are going to have a world standard facility and technology that is comparable to anything and

probably superior to anything that is available anywhere else.

That being the case, and with the amount of money the government is prepared to invest to secure our environment for future generations, I would think someone would have to be a little misled to try to compete head to head with that sector of the market.

**11:20 a.m.**

However, there is a sector of the market that Tricil is involved in that I think it should continue in. First of all, it is not the sort of thing OWMC has been set up to treat. You do not need that expensive and that sophisticated a facility to look after the kinds of waste Tricil is dealing with.

**Mr. Elston:** Although they could do it as an adjunct to what they are being set up for.

**Hon. Mr. Brandt:** Yes. OWMC could reach down and pick up the Tricil waste, but the opposite is not true. Tricil could not reach up and pick up the other waste they are not able to dispose of at the moment. Some form of shake-out in the market is a possibility—there is no question about that—but we will try to use a balanced and fair approach.

The member will be in a prime position to do a critique of whatever numbers we arrive at in terms of charges because that is the bottom line of his question.

**Mr. Elston:** I think our role has always been to provide the balance the government lacks in several areas. We are certainly willing to carry on with that role.

**Hon. Mr. Brandt:** During my short stay here I have noticed this government is so well balanced that we have a wide spectrum of interest from all parts of the community, from rural right on through to urban.

**Mr. Riddell:** They surely do not recognize the plight of the beef producers or they would never have done what they did yesterday.

**Hon. Mr. Brandt:** That was the next question I was going to get at in these estimates—the beef producers. I thought that was an environmental issue.

**Mr. Elston:** I am going to put on my hat now.

**Hon. Mr. Brandt:** I hope I have answered the question as thoroughly as I can at this time. We will keep members informed. Quite obviously they will be aware of the charges the OWMC levels in future when it is in operation. We have not nailed them down specifically yet, but when the time comes that we do, members will have

the chance to voice their opinion as to whether they think they are too high or too low or if they are inappropriate for whatever reason. This member has been noted for doing that in the past.

**Mr. McGuigan:** Mr. Chairman, I have a couple of specifics I wanted to ask on the material. One of them has been mentioned, namely, polychlorinated biphenyls. There was an incident in Toronto—I think it would be probably about four years ago when Dr. Parrott was the minister—in which a transformer exploded in an underground tunnel and the firemen came. The smoke rose on the building and the firemen were exposed to it, but they did not realize until about 48 hours later that this explosion was actually oil that had PCBs in it.

I remember asking in the House whether there was any labelling of these transformers that have PCBs. I understand that since about eight or 10 years previously they stopped using PCBs and have other materials in the transformers in Metro. It appears it will not be too many years before we find a solution to treat these materials and get rid of them. Do we know where they are at present, outside of those that are stored in warehouses?

A part of Dr. Parrott's answer was to the effect that one of the safest places to store them is where they are right now—in the transformers. If we took them out of the transformers where would we store them then? I guess, on analysis, it was not too bad an answer; it would be better off in a transformer because it is a fairly secure device.

The point is, do we we know which transformers have PCBs in them so that when the day comes we can get rid of them? Have we got an adequate marking system? I am thinking of a label to stick on the things saying it contains PCBs; then somebody will sign it and put a date on it.

**Hon. Mr. Brandt:** I think the answer Dr. Parrott gave was the most complete one he could give at that time because the technology available today—for example, the plasma arc and other high-thermal technology—was not really available then. The Ontario Hydro approach of inventorying them as such wherever they were located, rather than putting them in barrels or in a warehouse, was probably a pretty satisfactory answer considering the conditions at that time. We are getting very close to the point, however, where we are going to be able to get rid of these things and go through the

destruction process. We have moved along in connection with the technology.

Your question is, could they be labelled? I am going to ask either Mr. Gotts or perhaps Mr. Caplice to respond to that. The explosion you are talking about took place at the Adelaide Street station; I believe that is where it occurred. Could one of you respond to the question about identification of locations of PCBs?

**Mr. Gotts:** Yes, in two ways.

First, regarding labelling, it is my recollection, and from my observations in the field, the federal government requires labelling of transformers that contain PCBs. I have not come across any that were not labelled. We had a prosecution in the northwest a while ago where one of the charges was removing the label. You will be pleased to know we were successful in that one.

**Mr. McGuigan:** Is that a label that stands out that one can see, or is it some little fine print? Going back to these firemen, why did they not know until quite a while afterwards that it was—

**Mr. Gotts:** I think they are highly visible. In a fire situation it may be difficult to see them. There is no question about that. I think most utilities, because of various incidents that have happened over the years, have a very good handle on where they have transformers that contain PCBs. If the fire marshal is looking for that type of information, he should have it well in advance. Those transformers are identified now.

**Mr. McGuigan:** But you are not familiar with the label yourself.

**Mr. Gotts:** I have seen them. I was involved with a transformer that had PCBs and blew up. It was labelled.

The other aspect is that a year or two ago this ministry introduced a regulation involving the storage of PCBs. We now have a good handle on all stored PCBs. If anyone wants to move them, he has to get permission. It is all done in writing, so we know where they are.

I think there is a point to be made, though. Somebody mentioned the other night that the panic on some of these issues seems to have kind of disappeared from a few years ago. As the minister has mentioned, we are looking at mobile PCB destruction. We would not want the absence of panic to promote a lack of interest in our activities. As long as these materials are stored in various locations inside factories, warehouses and so on, they obviously present a risk should there be a fire.

Our aim is to provide the technology and the regulatory regime that provides for the application of that technology to rid us of this latent hazard.

**Mr. McGuigan:** I wonder if you could provide our critic with a photograph of these transformers so we can actually see what the label is.

**Hon. Mr. Brandt:** Yes. I do not think there is any problem in getting you a photograph of that.

You might also be interested to know that at some time I could provide you with a photograph of what the mobile destruction units look like. Basically, they are on a flatbed truck. There are a couple of tanks on top with a venting pipe, and they look fairly inoffensive. They can obviously be moved around. We are now looking at where these units can be moved to in order to provide the service of the actual destruction of PCBs. We will get you the picture of the labels so you can satisfy yourself.

**Mr. Elston:** Let us go downstairs. I understand the transformer here still has some in it. We could go down and take a look at it.

**Hon. Mr. Brandt:** We could open it up for you if you wish.

**Mr. Elston:** It is always nice to take a firsthand look.

**Mr. Wiseman:** Check the dripping underneath.

**Hon. Mr. Brandt:** That is something you have some knowledge of, Mr. Wiseman.

**Mr. Elston:** Rather than sending someone to get a picture, we can go downstairs some time and see it firsthand. I do not imagine one would have to get right into it to see the label, would one?

**Hon. Mr. Brandt:** I do not know. I have not seen it. Maybe Mr. Wiseman knows what it looks like.

**Mr. Wiseman:** I was in there one day. One had a couple of little drips under it. We went into it at that time for your then leader, Mr. Smith, and the environmental people thought there was no problem.

11:30 a.m.

**Mr. McGuigan:** I have another subject in talking about ethylene. There is quite a controversy raging in the United States right now. Ethylene dibromide, EDB, has been used in Florida and California as a soil fumigant, and it is used to fumigate oranges when they send them to Japan.

Japan has the greatest system of nontariff barriers for keeping materials out. One of the devices they use is that they do not have the

Mediterranean fruit fly, which is a terrible scourge of citrus fruits. All the citrus fruits that are sent to Japan have to be treated with this fumigant, ethylene dibromide, which is a cancer-causing material. They are more concerned with the people actually involved in the treatment than they are in the end product, because the Japanese are very rigid about there being no EDB on the product when it arrives. They are concerned about people working in the warehouses and this sort of thing, because this material is very virulent in causing cancer. It has caused the industry a great deal of problems in the United States.

We are at the time of year now when most of us will be draining the radiators of our cars. The last time I did this, last fall, I looked around at a place where I was paying \$50 to have my system flushed and a new charge put in. As far as I could see, it was going down the sewer. Again, referring to Florida, they are finding ethylene in ground water. That is what they are concerned about there, especially about the soil treatment, finding out that they have it in the water. Where is our ethylene ending up here when we drain ethylene glycol out of the radiators?

**Hon. Mr. Brandt:** Mr. Gotts, can you once more take front and centre stage? Obviously, the first response is that there are the municipal bylaws with respect to what can be dumped down the drain, but what about the antifreeze out of car radiators?

**Mr. Gotts:** I believe that antifreeze is fully biodegradable and therefore, in terms of the quantities, it would be discharged to the municipal sewer system and treated in the municipal system. I am not aware of any problems it presents by discharging to municipal sewers.

**Mr. McGuigan:** In the light of what is happening in the United States, where they are finding it now in ground water, I wonder whether we should not be a little more concerned, a little more sure, where the heck this stuff is ending up, because if there was ever a biodegradable system it has got to be a soil system. There is nothing more capable of destroying chemicals than the flora that are in soil. Maybe it is because they are so capable of destroying it that you are coming up with the pure ethylene as opposed to the large molecule. I think perhaps we should know a little more about this.

Perhaps Mr. Foley can speak to the true villainy, but I would suspect that the finding of it in ground water probably would depend very much on the intensity of the disposal operation

that was taking place. Obviously, whether a material is biodegradable or not, if you have an intense activity in terms of disposal or pouring it on the ground, you might find it because it does not biodegrade that quickly but maybe you would have the treatability.

**Mr. Gotts:** Mr. Foley is the co-ordinator of our research policy and planning branch. Welcome to our forum, Mr. Foley.

**Mr. Foley:** Thank you. The problems that you referred to in Florida—and they occur in a number of other regions, mainly reported within the United States—relate primarily to the discharge of substances such as perchloroethylene or tetrachloroethylene. These are common compounds used for degreasing; they are very commonly used in the dry cleaning industry. Production of ethylene is something in the order of 24 billion pounds annually in the United States. There is lots of it around, and a lot of it is used in commerce.

The exact mechanism by which it gets from commerce into the ground is not specifically known, but certainly one of the more common practices that used to exist was that when the dry cleaner cleaned up his cleaning fluid he added up with some sludge, which had some perchloroethylene, he went out the back door and threw it on the ground. It disappeared just like that; it was gone, but where it went, of course, was down. This was the practice over a great many years with a substance that is not degradable—tetrachloroethylene does not readily degrade—so it has accumulated in ground water in many instances.

On the other hand, glycols, as Mr. Gotts has said, are degradable. They can be discharged to sewer system and they will degrade in the treatment plant. So the two problems are quite different. We are dealing with chemicals with quite different properties, and therefore they present an entirely different environmental hazard.

**Mr. McGuigan:** When you are testing for water quality and contaminants and so on, do you find ethylene in water in Ontario?

**Mr. Foley:** Yes. As a matter of fact, it is one of the substances that is in the list of compounds that were detected in the Niagara River, but the levels are extremely low. The maximum contaminant level—MCL, as they call it—is sort of a precautionary health limit that the US Environmental Protection Agency and the World Health Organization have put on substances such as tetrachloroethylene. The alert level is 30 parts

per billion. The levels that are normally found in well waters in Ontario are point zero zero some number of parts per billion; so it is about three or four orders of magnitude less than the health alert. That is a health alert; that is not a regulation. It is simply a number at which the WHO and other people have said: "We should be concerned about this substance. If it reaches that kind of number, go and take a look." So we are talking about levels significantly below that in any of them that we are aware of.

**Mr. McGuigan:** Do you know, particularly about Florida, whether the level is at the alert level now?

**Mr. Foley:** I cannot speak in the case of Florida. The only area where I have heard of specific information is Manhattan Island. It is mainly a sand aquifer, and the water source down there is all by wells. There are high-pumping levels, and they have some very severe problems in that area where the levels in the ground water have exceeded this MCL of 30 parts per billion and the municipality has had to shut the well down pending the installation of treatment.

The normal treatment for this type of material is aeration, which, of course, is a transfer of the problem; it is not a solution, truly. You can get the stuff out of the water, but then you have it in the air. Since it does not degrade, the only way you can really get rid of it is to incinerate it; so it is an on and on and on proposition. But if you are desperate for drinking water, that is the solution that is proposed currently.

**Mr. Gotts:** I might add that tetrachloroethylene is exactly the type of refractory halogenated organic that would be handled by the Ontario Waste Management Corp. high-temperature incineration facilities.

11:40 a.m.

**Mr. McGuigan:** I am just looking at the dry cleaning industry. What did you say that sludge was?

**Mr. Foley:** Tetrachloroethylene is the solvent commonly used in that industry—not exclusively, I might add, but one of the common ones.

**Mr. McGuigan:** Does it go on the ground, or where does it go right now?

**Mr. Foley:** I could not answer that. Possibly Mr. Gotts or some of our waste people can. As I say, that is a practice that is common historically. Currently, because of the health effects of tetrachloroethylene or perchloroethylene, there has been pressure on the part of health organi-

zations to replace it in the dry cleaning industry. That is not something that is easily or readily done.

**Mr. McGuigan:** It comes back to the fact that the American authorities are so concerned about the cancer-causing agents. Is there any problem among dry cleaning people who use this?

**Mr. Foley:** The US Public Health Service did a survey of people in the industry—and I cannot give you blocks and numbers of the results—but certainly the feeling we got from it was that they had not perceived any particular adverse effect on people working in the industry.

**Mr. McGuigan:** I guess, in summary then, you do not consider ethylene to be any problem here in Ontario?

**Mr. Foley:** Not ethylene glycol, which was your initial question.

**Mr. McGuigan:** Yes.

**Mr. Foley:** No. I would not consider that to represent a problem to health. It is not considered to have any health risk attached to it.

**Hon. Mr. Brandt:** I wonder whether the committee would agree to shift gears into the issue of acid rain for a moment. We have Walter Giles here; I believe he is not going to be available tomorrow. I would like to deal with that subject. Perhaps I could introduce it at this time and then we can get into it, because it was raised in the form of questions by the members of the committee as well.

The subject of acid rain abatement continues to attract questions, as indeed it should. The question has been raised as to whether Ontario will continue to reduce its emissions and meet its commitment of a 50 per cent emissions reduction by 1990, regardless of the US acid rain abatement program and the negotiations with the United States, which are a matter of some topical interest as a result of the discussions that were held recently between Mr. Caccia and the US representatives in Halifax.

The answer to this question really has two parts. First, Ontario will continue to reduce its acid emissions. I say with some degree of satisfaction that we have reduced our sulphur dioxide emissions in Ontario since 1970 to 1983 from four million tons annually to two million tons, which is our present emission level. I am not pleased or satisfied with the fact that we still have two million tons to contend with, but I do want to say that over the course of the past 12 years or so, we have already achieved about a 50

per cent reduction in the volume of emissions from previous volumes.

The acid gas regulation of Ontario Hydro and the Inco reductions are cases in point that have led to the kinds of improvements I have mentioned.

Second, I must point out that Ontario is not specifically committed to an emission reduction of 50 per cent *per se*, but we are firm in our resolve to achieve the necessary reductions in emissions which will protect the environment. I want to stop at that point for a moment, because there is so much confusion on whether or not it is 50 per cent and what it is in terms of a target that we should be heading for.

I think there is a consensus, certainly among the eastern provinces of Canada—and I believe the federal government is in agreement with the position I am going to give to you at this time—that we should be aiming for a maximum loading level which achieves the target of 20 kilograms per hectare per year as the maximum to protect our sensitive areas. That translates into 18 pounds per acre per year, to use the former measurement.

It is impossible for Ontario in and by itself to achieve that kind of target level. If we shut down Inco, all of Ontario Hydro, Falconbridge, Algoma, all of the refineries, anyone that is emitting any sulphur dioxide, we could not achieve that level of safety for our sensitive areas.

That is what the dialogue with the United States is really all about: to achieve the kinds of emission cuts in the neighbouring US states, particularly in the Ohio Valley if one were to target it. That relates to the third option or what is known in some instances as the northeast option, which Mr. Ruckelshaus talked about when he was in Halifax and in earlier comment he has made. But if those targeted reductions actually took place in those areas, there is a chance over the next few years that we could achieve a level of maximum loading that would protect our sensitive areas.

Rather than go on in some depth about this, I will ask Walter to make some comment in connection with acid rain since he is here with us now. We would be happy to respond to any questions you might have, after our few opening comments. Walter, I will turn to you at this point rather than continue to speak to this subject myself.

**Mr. Giles:** Thank you, minister and members of the committee. I am not sure how much detail the members would like at this time or in what areas of concern.

From the standpoint of the 20 kilogram target, we believe that has become a reasonably well accepted number in the scientific community. The various peer review groups on the work of the memorandum of intent committees have established that number in everybody's mind. However, at this stage the US administration has not said that it is willing to target on that number. We do have the impression, from some of the options they were looking at, that they clearly had in mind the idea of reducing emissions to a level they thought would protect their sensitive areas and our own.

From the standpoint of the negotiations between Canada and the United States, I think it is fair to say that at the moment no negotiations are going on. There have been some discussions at the senior levels in the Department of External Affairs and the State Department, but from what we understand happened in Halifax, there is clearly no point that has been reached, at least by the US administration, where they are coming forward with a particular proposal for the United States.

Of course, even if they did come forward with a proposal, it would have to be translated into legislation in their process. The administration could end up proposing a level or a tonnage reduction that would be translated into something specific in the Clean Air Act. A particular reduction would be mandated, and their legislative approach is such that they mandate specifically what is to be done and they would end up mandating a specific reduction.

The number of proposals that has been put forward in Congress to date shows a wide-ranging approach, everything from a somewhat targeted approach—which, incidentally, we favour because we think it is the most cost-efficient approach—to an all-state or 31-state approach. Each congressman or senator who proposes an approach to the reduction in the United States seems to have a different way of tackling the issue. Some would share the cost of such reductions over the entire population of the United States. That is one proposal. Others would target it directly on the states that are emitting the most.

From the standpoint of international relations at this point, we clearly do not have negotiations going on, although it is quite obvious that the Canadian federal government is attempting to put them back on track.

From the standpoint of scientific development, I think it is emerging that we have to look more than the aquatic environment. We have

signals coming to us from other parts of the world, which as yet we have been unable to clearly establish in Canada, that we must look at the terrestrial effects very clearly. The evidence is emerging that there could well be problems that may be related to acidic precipitation as part of a total difficulty in the environment.

11:50 a.m.

**Mr. Elston:** Could I interrupt? That is one of the largest areas of contention right now between Canada and the United States; that is, the question of available information. It seems every time we turn around somebody over there says we need more information to deal with the problem.

How can we convince them the results of the data that are showing up are for real and not something that can be looked upon as part of a political or a public relations ploy? That is part of the difficulty, as I understand it.

**Mr. Giles:** I think it is part of the difficulty. I suppose it comes right down to the question of when does one have enough information to take action in an environmental or a health concern.

Obviously, using the Great Lakes analogy, we took action long before we knew precisely what was happening and where the sources were and what particular influences they had on the lakes. We had a broad picture at that time and took action. Our argument with the United States has been that we know enough now to take action. They have not accepted that argument at this point, although I think scientifically they pretty well have to.

From what I have observed, the new administration in the Environmental Protection Agency is going a long way to admitting that reductions are necessary. The magnitude and the timing is what they have not yet committed themselves to. Obviously it is a good ploy to say: "We need more research. We need more information to be able to make those precise judgements."

I do not know whether I can say anything more than that, really. As I mentioned, in the studies with peer review groups they came out with, the scientific adviser to the President surprised some people in confirming that he believed there was a problem and that they should begin doing something about it.

**Mr. Elston:** Correct me if I am asking the wrong person this question. Are you getting involved in trying to provide them with more joint study programs with people you have in the field now? Is that a possibility?

**Mr. Giles:** We have a good working relationship—

**Mr. Elston:** I know you do have some projects now.

**Mr. Giles:** —with the United States scientists through what we call in Canada our research and monitoring co-ordinating committee, which I co-chair with Jim Bruce of the federal government. That is the way we are managing our entire research approach in eastern Canada with the federal government and all the provinces. We meet on a regular basis with our equivalent in the United States and we have joint scientific studies going on and we are all aware of what the other is doing. There is a very good exchange of information in that area.

**Hon. Mr. Brandt:** In addition, we have signed agreements with Minnesota and New York which provide for the same exchange of information. I think Ontario's computer screening model certainly has had widespread acceptance in Canada. That was perhaps not the case some time ago.

I cannot say much about the negotiations that took place at Fredericton at this sensitive period because negotiations are still going on between Mr. Caccia and Mr. Ruckelshaus. However the bottom line of those negotiations was developed fundamentally on the basis of the information we got from our computer model. In other words, it is the information that is accepted here as being relevant to what we have to do in order to reach certain deposition levels and so forth.

So we have a number of things going on in Washington, as have our federal counterparts, in an attempt to influence the decision-making process there and at the state level as well.

**Mr. Elston:** Is it fair to say that in terms of the scientific level of exchanges that show the necessity of taking action we have gone about as far as we can go now? I mean other than just continuing to provide them with more and more material?

**Mr. Giles:** I would say the scientific program is continuing and will continue to provide us with more up-to-date information as we go along. Our approach has been that we know enough now to start. Let us commit ourselves to the beginning of a program. Possibly it should be a staged program in which we will continue with the scientific work to assure ourselves we are bringing the latest information to bear on the judgement necessary as to where we go. We visualize this as a very logical approach and I

think in some circles in the US they see the same thing.

**Mr. Elston:** Do you look then to a logical application of the results of the study of the Sudbury basin with respect to the technology there? Is that one of the areas where you would advance that as a logical extension of the results of the study?

**Mr. Giles:** Are you referring to the task force report?

**Mr. Elston:** That is right.

**Mr. Giles:** That is an analysis that is pretty specific to Canada. Our problem is generating the precursors of acid rain through smelting primarily, with some from power plants. The American approach is to attack the power plants because that is the basic source of the problem down there. The smelters in the US are not contributing anything like the percentage our smelters are. Therefore, our technology analysis in the task force report was to best advise how to approach the smelter problem in Canada.

**Mr. Elston:** How long do you see it taking to implement the suggestions or recommendations the task force made with respect to that technology? That is the next question.

**Mr. Giles:** To come to any conclusion about that requires an analysis of a number of factors. However, my approach is that first of all we need to know how far we have to go. We are trying to approach that in the various programs we have going on from the standpoint of the most cost-effective way of attacking our sources. We have to know how far we are going to go—the levels. The time frame is also quite important, because how far into the future we are looking influences what can be achieved.

**Mr. Elston:** The application of the recommendations with respect to Sudbury will depend to a large extent on setting the control order and the regulations and putting them in place to deal with the emissions. Once that policy decision has been made, will you then have a hand on the application of the results of the task force?

**Hon. Mr. Brandt:** Can I try this from another angle? Mr. Giles went over it fairly quickly and may have to expand on one of his comments.

We have to know in Ontario what the controls are going to be in other jurisdictions in order for us to develop a comprehensive program; in other words, to achieve that 20-kilogram maximum loading level. As I indicated,

cannot achieve it alone. We have to know the cutbacks that are going to occur, particularly in the American jurisdictions because that is what is impacting on Ontario in the Muskokas and the Haliburton region and so forth.

The Sudbury emissions are impacting on Ontario but they are also impacting on southern Quebec and the Adirondacks. We can trace those and we have that kind of information. But we have to know two other things: we have to know the cutbacks and—this is a key factor—specifically we have to know the point sources and from where those cutbacks are going to be made.

If a 50 per cent cutback was made in the United States and it all came from the wrong area—from Texas and California and other places—that would not do the job in terms of the Canadian problem. What we must have are cutbacks in areas that are pinpointed to do us the most good. So before we can say we are going to reduce Sudbury, as an example, by some form of order from 1950 to whatever we might want to achieve, we have to know what that total loading factor is going to be.

Quite obviously, if you are going for zero threshold levels that is another question—but it is unaffordable and is not achievable. It is not a question that it might not be; it is not achievable with present technology.

**Mr. Riddell:** Have the American authorities been dragging their feet on this subject because they have not been convinced acid rain has had a deleterious effect on terrestrial and aquatic life? Or has research even convinced us yet that there is a deleterious effect?

Last summer for instance, any fisherman you talked to, and I talk to a lot of them, say that the fish are not there. They had a terrible summer fishing. Now we see disease affecting our maples. Could it be that the maples' resistance has been lowered due to acid rain? How much do we know about the effects of acid rain on terrestrial and aquatic life?

12 noon

**Hon. Mr. Brandt:** I can tell you that in terms of the forestry dimension of your question. I can say with some degree of confidence that the scientific level we have achieved with information through our computer screening models in Ontario is accepted virtually on a worldwide basis. West Germany has invested something like \$750,000 in Ontario and is participating in our program to come to grips with the very

question that you raise regarding the impact on forestry.

Our people are of the opinion—and I have spoken to them; what is the name of the site where we have the monitoring station? Dorset—that there is indirect impacting on some of the trees as a result of the acid rain fallout. It occurs something like this: although the acid rain may be not directly affecting tree growth and the forestry in that area, it weakens certain species of trees and makes them more susceptible to other diseases.

Our analysis of that particular question continues. I do not think there is any question that the impacting you are talking about in our lakes is a matter of not only real concern but a matter that has been definitely proven. Whether the US is dragging its feet is a matter of public note at the moment.

The reality is that they have not agreed to cut back, and that is what our negotiations are all about—to try to find a way to influence the Americans to do what has to be done in order to protect our areas. In turn, we have gone to them with a proposal on the part of the emitting provinces. It is not really a problem in western Canada; it is a problem that starts at the Manitoba-Saskatchewan border and moves east. Those provinces have given Mr. Caccia a bargaining position which he has publicly stated has gone further than what he expected he was going to get in Fredericton.

I believe we are going to get a breakthrough on this, but it is going to require a tremendous amount of continued negotiation and influence and whatever else we can bring to bear.

One of the things I am doing, as a matter of interest, is accepting a number of speaking engagements in the US, the first of which is in Rochester on November 3. I will be speaking specifically to the acid rain question. I am not going to be pointing a finger, because in Ontario we happen to be in the pivotal position of being part of the solution and part of the problem at the same time. The fallout is occurring in Ontario in a transboundary fashion from another jurisdiction. But we are also emitting SO<sub>2</sub> and SO<sub>4</sub> which is ending up in other areas.

**Mr. Riddell:** If acid rain was affecting plant life, agricultural crops and what not in the States, I am sure the Americans would be very quick to do something. Because it is not causing an effect down there but it is in Canada—a lot of the stuff is blowing over this part of the country and causing damage here while causing very little down in the states—do they take the

attitude of, "What the hell, it is not affecting us too much so we are not going to demand that industries start controlling the output of SO<sub>2</sub>, nitrogen dioxides and the rest of it"?

**Hon. Mr. Brandt:** We might be able to get one of the staff members to speak to the US situation. I am not as familiar with that as I am with Ontario's. You are right about the fact that it is creating a great deal of damage in Ontario in our sensitive areas, particularly in areas I have already identified, mainly because of the soil depth. In western Ontario we could probably stand 10 times the loading that the Haliburton area or the Muskokas could stand because the soil and lime conditions are entirely different in the soil makeup in that part of Ontario as opposed to the area that is being bombarded and devastated by acid rain fallout.

I do not know what the extent of crop damage is in the United States, but—

**Mr. Pollock:** It is my understanding that it is a real problem in the New England states.

**Hon. Mr. Brandt:** Yes.

**Mr. Charlton:** Is it not also true that part of the problem in the US is a governmental and jurisdictional problem; i.e., you have states that are heavy producers of acid gas emissions and you have states that are heavy recipients of that? Just because of the very nature of their federal political structure, you have rather significant lobbies on both sides of the question, whereas in Canada we have some very clear responsibilities at the provincial level in terms of (a) dealing with our own problems and (b) trying to find a way to deal with the transboundary problems.

The Americans are in a situation where there are fairly significant lobbies on both sides of the acid rain question. States like New York and many of the New England states and other states that are being affected by acid rain have been lobbying very heavily to take action, whereas the states which are the major producers but not necessarily the major impact areas are lobbying on the economic side of the question in terms of their industry.

**Hon. Mr. Brandt:** The changes that would have to be brought about in the Ohio Valley, which is the area of prime concern to us in many respects, would require a shift to one of two technologies: low-sulphur coal, which is not available in that part of the country in any great volume, or the addition of scrubbers on their utilities, both of which are tremendously costly in terms of the economic impact.

Brian is absolutely correct. You have two

different players. You have the areas that are being impacted by the fallout from acid gas and on the other hand you have the emitters who are looking at it from a straight economic standpoint, "It is going to cost us more money to control the problem."

It is probably the most complicated and sometimes confusing interjurisdictional, transboundary issue that the political systems in North America have ever had to deal with. The difficulty being that one guy has to pay and the other guy benefits. You see, the investments we make in Ontario will benefit New York state to about 12 per cent roughly. They will impact very positively on southern Quebec and on parts of Ontario as well.

But the impacting that will come about as a result of investments made in the Ohio Valley will benefit Ontario very directly, because we are the recipients of a great volume of the SO<sub>2</sub> emissions that are occurring from that particular source.

**Mr. Riddell:** Surely even the politicians and bureaucrats can recognize the lesser of two evils: a legacy of lifeless water and land or some investment in pollution control. I just cannot understand how politicians can make decisions which are totally wrong. If they are going to protect their industries, are they afraid to go to their industries and say, "Look, you are going to have to spend some money in putting in scrubbers, otherwise we are going to leave our future generations with absolutely no life in the water or the land"?

Hell, that cannot be a very difficult decision to arrive at. I understand it is all politics, but goddammit, it's time that—

**Hon. Mr. Brandt:** I could not agree more with you. Let me tell you, part of the discussion in the states surrounds questions like, should all of the states contribute to the solution. Should there be, as an example, a surcharge or a premium placed on every utility bill in the United States so that there is an equitable distribution of the burden of carrying the cost of cleaning up the environment?

**Mr. Riddell:** Not a bad idea.

**Hon. Mr. Brandt:** That is not a bad idea and, in fact, that has been proposed by certain congressmen who have suggested that is the proper mechanism to deal with the problem. But then there are the individual, parochial interests where a guy, representing a particular state, says, "Why should my people have to pay when we are not responsible for the problem in

the first instance?" You know that in politics parochial interests occasionally do rear their somewhat unattractive heads.

**Mr. Charlton:** All too often.

12:10 p.m.

**Hon. Mr. Brandt:** What can we do? To go to the extreme, there is the possibility, although it is remote and a mechanism I would certainly be reluctant to put into play, of going through the court system. That is one possibility and is something that should perhaps be talked about at some point, where we actually attempt through the legal system to force the United States to reduce its emissions because of the harm it is doing to Canada.

A more appropriate mechanism is the normal diplomatic channels that Mr. Caccia seems to want to use and with which I am in agreement, where we attempt to influence through every mechanism we have available. That includes groups such as the Canadian Coalition on Acid Rain, which we fund out of this ministry. The federal government also provides them with some funds. They have been doing a very effective job in Washington.

We have our own people in Washington who keep us informed of what is going on in terms of the attitudes of the Congress there and the President and his cabinet. There is a real split in the US at the moment, as you can well imagine, between the economic interests and the environmental interests. They are playing off against each other in a very real sense.

It is hoped we can find a resolution of the problem, but I really do not know what more we can do other than to continue to try to lobby and influence, and certainly we are going to continue to do that.

Mr. Caccia was left with what, frankly, I have to consider to be the strongest and best position the federal government has ever had in terms of a negotiating card with our US counterparts. We have a specific proposal to put on the table to talk about. It is one that will be costly to Canada as well because there is an economic price to be paid to clean up the environment. But we are prepared to do that.

I chaired that committee by the way, the committee of eastern provinces, and it is a very good working committee and it is one where we have had a great degree of solidarity in our approach. There has been no criticism at the federal level as you have noted from media reports. Mr. Caccia has indicated he has had a

much more effective card to deal than he anticipated receiving out of Fredericton.

**Mr. Riddell:** Did you feel Mark Rudolph could best render assistance to Mr. Caccia and that is the reason he left your staff?

**Hon. Mr. Brandt:** No. I think Mark Rudolph had a career opportunity to move on. He moved from a certain political party as a research assistant and made his way—

**Mr. Riddell:** He got excellent training.

**Hon. Mr. Brandt:** —into those hallowed halls of the Ministry of the Environment. He has now moved on to federal interests. I can tell you his knowledge of the operation of our ministry and the background he had in terms of assisting us towards a good, strong working relationship rather quickly with Mr. Caccia was very effective. It was helpful that he had played a role both in the local Ministry of the Environment here in Ontario and at the federal level.

**Mr. Charlton:** Perhaps I could get in on this discussion at this point. I have a number of questions, and then I would like to make a few comments on a number of the things that have been said about approaches in the US.

Going back to the minister's comments about what he has to have in order to design an effective program for Ontario, and back to the point he made about the fact that if we cleaned up every single ounce of sulphur dioxide emissions in Ontario we could not solve our problems, I think they are both significant points. But they also speak to an approach we are going to have to be prepared to take in Ontario.

I think everybody agrees you are right, that we cannot solve our own problems in terms of degradation in this province even if we clean up every last ounce we produce. On the other hand, and this is a scenario which is not likely to happen, if we get no emission reductions in the United States at all, every ounce of reduction we get in Ontario, at least if nothing else, reduces the rate of degradation. That is not true in every single point source. For example, in the case of Inco, where Inco is having an impact on certain specific areas of this province of its own, such as the Timiskaming area and areas across southern Quebec and into the New England states, the reductions at Inco will certainly have some impact in terms of at least reduced rates of degradation in those areas.

What I am getting at is the less co-operation we get south of the border, the smaller the reductions. I believe we will start to see some reductions in the United States over the next

few years. The question, as you put it at this time, is how much and where.

**Hon. Mr. Brandt:** And how fast.

**Mr. Charlton:** And how fast. But we will start to get some reductions. What we have to be prepared to do in Ontario is to look seriously at maximizing the levels of reductions we can get in this province. For example, you are right that technologically at the present time we are not in the position, unless we were prepared to shut down all of the producers in this province, to reduce our emissions to zero.

We are in a position—not tomorrow—to significantly reduce the emissions in this province which will have some kind of an impact on the rate at which our problems are occurring. What I am saying is that your programs in the ministry are going to have to be developed very carefully, based on whatever commitments we do get south of the border. Our ultimate commitment, without setting any time frame on it, has to be to reduce those acid emissions to the absolute minimum we can achieve.

I do not know what would be a good time frame. I do not even know if you can set a time frame for that kind of a goal, but we obviously have to work towards that goal, especially with lack of co-operation from across the border.

**Mr. Elston:** Surely your programs are going to have to be set from the point of view of Ontario's cleanup. You are surely not suggesting that we decide not to introduce technology that will clean up our site unless we get an equal and matching sort of thing—

**Mr. Charlton:** No. I am suggesting exactly the opposite.

**Mr. Elston:** We have to have a program here that is going to be set up and worked upon and put into place despite what happens in the United States.

**Mr. Charlton:** That is exactly what I am suggesting. I am taking it one step further than that.

**Mr. Elston:** I apologize. I must have misunderstood.

**Mr. Charlton:** I am trying to take it one step further than that, to suggest that the minister is referring to what is scientifically recognized as an acceptable level of loading. If we were to be in a position where we can get no agreement with the United States and no reductions from that side of the border, then we are not going to be able to reach that loading level, and that

would be very unfortunate and probably in the long run very disastrous for this province.

Even with that we have to be prepared to reduce to the absolute minimum we can get to in this province over time. The lesser the commitment coming from across the border, the greater the task we are going to have to take on here in Ontario because what the minister's comments about acceptable loadings means is that the greater the commitment we get south of the border, ultimately the less we will have to do here in Ontario.

In other words, if we were to get 60 or 70 per cent reductions in the Ohio valley, which is the primary area affecting Ontario, we would then be in a position of having to do less to get to that acceptable level. I think that is the point, is it not?

12:20 p.m.

**Hon. Mr. Brandt:** Yes, very much.

**Mr. Charlton:** What I am saying is the reverse of that. If we get no co-operation from south of the border and even though we cannot reach that acceptable level, we have to be prepared to clean up to the maximum extent we can here in Ontario, regardless.

**Hon. Mr. Brandt:** Let me address some of the points you have raised. First of all, Ontario has not simply sat on the sidelines and done absolutely nothing about this question. I have indicated the total emissions in Canada today equalled what Ontario alone produced a decade ago. So there have been significant reductions already.

Hydro is under an order to reduce by 43 per cent between now and 1990. Irrespective of the other arguments, which I do not want to get into today, on the nuclear question, that will be discussed, I would imagine, ad infinitum in the House as it was yesterday.

**Mr. Elston:** I think it has a similar half-life to uranium or something.

**Hon. Mr. Brandt:** The reality is that the shift away from sulphur-burning utilities to nuclear does reduce the acid rain emissions. The purchase of coal in Ontario today is about 20 per cent western low-sulphur coal and 80 per cent US low-sulphur coal. We do not buy high-sulphur coal from the US. The US itself is using higher sulphur coal from its own jurisdiction.

Put this into proper context. We are paying the premium, which shows up ultimately in our hydro bill, to burn cleaner coal. Mr. Broadbent has raised the question of whether or not we should be shifting the purchases to western

Canada, and that is another question. The reality is that would not address the acid rain question. That is more of an economic matter that could be dealt with in another forum.

**Mr. Charlton:** It might address the acid rain question as well.

**Hon. Mr. Brandt:** I do not think it would reduce substantially our SO<sub>2</sub> emissions.

**Mr. Charlton:** It is not a question of reducing substantially our own emissions; it becomes a very political question. If we shift our purchases of coal in Ontario from the 80 per cent US coal we are now buying, what, politically, will those whom we are trying to get to clean up do in response to that?

For example, one of the arguments which has already been made by a number of our colleagues south of the border is that if we were to make that shift, we are going to reduce their economic ability to clean up in those states where, quite often, there are coal mining and coal use in heavy combination. That is how it affects the acid rain question.

What impact would a shift in our purchasing patterns have on our ability to negotiate with US jurisdictions which would then be losing business and would claim to lose some of the economic ability they may or may not have to clean up?

**Hon. Mr. Brandt:** As you know, we are doing that. One of the thrusts of Ontario Hydro is to burn less coal and, therefore, cut back on coal purchases.

**Mr. Charlton:** Yes. I think Ontario Hydro's purchases are being cut back by something like close to 20 per cent a year.

**Hon. Mr. Brandt:** Yes. Even with the upset this year in the nuclear area, Ontario Hydro will still meet the maximum emission target levels set for this year. I will be able to give you an accurate figure by the end of the year, but right now they are on target even though they have had to switch, as you know, to the conventional generating plants, the coal-fired plants, in order to offset the loss of nuclear power.

To give you some numbers, the 500,000 tons now being emitted by Ontario Hydro—I am rounding off the number—will be reduced to approximately 300,000 tons by 1990. Even if they are successful in getting export contracts to the US, if there is an upset in the nuclear program, or whatever the problems are, they are still required to cut back.

The Inco question is far more complex. I know there has been some comment to the

effect that the only reason they were able to reach the 1,950 level was that they were down for a great deal of the time. But the reality is that the 1,950 target level for Inco is the maximum they are allowed even if they are running full blast. I have to tell you that, according to the best scientific information we have, even with the shutdowns that occurred at Inco, there was not a substantial improvement in the analysis that we took of the deposition levels in Ontario.

In other words, we did not see a great deal of improvement as a result of Inco being out of the picture entirely, which leads us back to the point—and one has to appreciate this—that it is a lot cheaper to cut down from 1,950 down to 1,000 than it is from 1,000 down to 500. The closer you get to the optimum—whatever that threshold level happens to be, zero target level—the more expensive the technology becomes for each pound you remove from the total emissions. It becomes more and more difficult technologically.

To cut down from 7,000 in 1950 may well have been an easier exercise and less expensive for Inco than to go from 1,950 to 1,500 or 1,200 or whatever other number—

**Mr. Charlton:** There is no question about that. The study clearly showed that.

**Hon. Mr. Brandt:** The reality is now that it is not a question of not moving unilaterally on the part of the Ontario. We are moving to the extent that it is economically feasible and where we feel we can move in terms of emission reductions. But the real impact, in terms of improvement to our own environment and the sensitive areas we are attempting to protect, has to come about as a result of a mix of reductions on both sides of the border. The technology is available today. If money was not a question, forgetting the sources of where that money would come from, we could probably get Inco down to around 100 tons.

**Mr. Charlton:** Less than that, 45 tons.

**Hon. Mr. Brandt:** We could argue over it. If the technology is there—

**Mr. Charlton:** If money was not an object.

**Hon. Mr. Brandt:** Yes. We have a little bit of a problem, which Mr. Riddell and I were talking about. It is a political question here as well. How far do you want to force the company to the wall in terms of what they are capable of doing and what the technology is, and where does the money come from?

I have argued—and I think this has at least received reasonable acceptance—that the fed-

eral government has a role to play here as well. It has not been discussed during this question of acid rain. When I went to Fredericton, I made some public statements to the effect that we had to have the co-operation of the federal authorities to do more than just establish new abatement targets.

It is quite simple for a minister to say, "It would be nice if we had a 50 per cent reduction in SO<sub>1</sub> emissions." How we achieve that 50 per cent, what the costs are going to be, and how they are going to be shared are the issues we came to grips with in a very fundamental sense in Fredericton. It was an issue I had to resolve in my own mind and on behalf of the taxpayers and people I represent, namely, the people of Ontario. We cannot take all of the burden here, any more than I could expect the state of Ohio, the state of West Virginia or the state of Pennsylvania would take all of the burden in the US for their utility—

**Mr. Charlton:** There is no question about that. Even though your predecessor and you likely do not agree with the approach we took to the Inco question in the presentation we released last January, we very carefully looked at provincial responsibility, federal responsibility and the company's responsibility and tried to deal with it in terms of a fairly significant time frame. Regardless of what your ultimate commitment is, because of the costs involved, we understand that, no matter which route we go, it is not all going to happen overnight.

**Hon. Mr. Brandt:** That is right.

12:30 p.m.

**Mr. Charlton:** Ultimately, it is the time frame that becomes the question. How much can you afford to spend each year on the cleanup?

Back to the question of the negotiations with the United States, I do not think anyone disagrees that those negotiations should continue as aggressively as they can be continued, but it seems to me there are a number of other approaches that we can and should be taking, which ultimately may help in seeing some reductions on the other side of the border.

It was mentioned earlier that there are a number of private bills, if you like—bills from individual congressmen and senators—dealing with the question of acid rain emission reductions and that those bills are currently before the Congress at one of the two levels. As a result of the Fredericton meeting, it is my understanding that the Senate committee is now gearing up hearings on some of those bills.

First, what kind of involvement, lobbying or information exchange are you having with people in the legislative process in Congress in terms of those bills that are being considered at this point?

**Hon. Mr. Brandt:** Within the past few days we met with the Canadian ambassador to the United States, who is extremely interested in the question of acid rain; it is one of the highest priority items that he has to deal with. We had an opportunity to meet with him for a number of hours on Friday and we discussed the acid rain question.

I might add that his most recent letter to one of the congressmen who happens to be in opposition to the cutbacks being suggested in a number of the bills you mentioned was read into the Congressional Record, and there has been some dialogue at that level.

We cannot interfere directly in the political process—I suppose that is what the question is being directed towards—but we can try to influence, as I try to do, by consulting with those people who are the movers and the shakers in that particular political forum. I am interested now in moving towards putting in place an agreement with the state of Michigan, which is also a major player in this whole question, similar to the ones we have in place with Minnesota and New York state.

Congressman Dingle, to give you one example, is a gentleman who has indicated a very keen interest in this and is one of the more powerful players in the US Congress at this time. I will be consulting with him shortly to give him the information that I think he requires for him to make a proper decision as to which way he intends to go. I do not know that he has publicly expressed a specific position on the question yet. There is a whole range of positions in the US, going from zero to a 12-million-ton reduction.

**Mr. Charlton:** That is right, and that is specifically why I raised the question. Perhaps I can make a few comments and suggestions that relate to the legislation that is currently under review. I will use an example from another area to try to illustrate what I am talking about.

Earlier in our discussions, in our opening remarks, we mentioned the situation around existing proposals in legislation that is currently before Congress on winter navigation on the Great Lakes. A number of members of our caucus have been quite involved in that process over the past couple of months. We have made contact with a number of congressmen and

senators who have been involved in opposing that legislation on winter navigation. They suggested to us quite clearly that the more input they had from this side of the border the better, in terms of their opposition to that legislation. So we have been going through a process of bumping into some of the hearings that were being held in Michigan, and we are going to be bumping into some of the hearings that will be held later on in New York state on that topic.

One of the things that would be very useful in an approach on this whole question of acid rain—at least I think it would be useful—would be if through your ministry, or through the Coalition on Acid Rain, we could get a full analysis of all the bills that are now before the House of Representatives or the Senate on the question of emission reductions.

The ranges that are involved in those bills are quite substantial. It would be useful if we could know which of those bills would be most applicable to Ontario if they were to pass. It would help if we knew which senators and congressmen are supporting them; if they were the senators and congressmen from the Great Lakes states, for example, we could lobby them to support the best of those bills.

There are members of all three parties who could be getting in touch with senators and congressmen—from Michigan, Ohio, New York state and other of the Great Lakes states—and providing them with as much information as we can. We could state our position on those pieces of legislation and exert whatever small influence we might have on a one-to-one basis with individuals who are obviously also concerned.

It would be really helpful to members of the government, of the Liberal Party and of our caucus if some kind of analysis were done on those pieces of legislation. It would be really useful to know which of the bills now being considered we should be supporting as the best-case scenarios for Ontario. It would allow us to do some individual lobbying, which they are encouraging, and we could be most effective in whatever lobbying we do.

This is a process that can go on totally outside the negotiations. It can go on without the minister appearing to be sticking his nose into the middle of domestic politics in the United States. It is right when he says that could create some problems. But it would allow us, perhaps with the advice of the ministry, to have some

impact on any decisions that might come out of that process.

**Hon. Mr. Brandt:** I understand what you are saying. You are touching on an area that is of fundamental importance, but it also is an area of tremendous sensitivity.

**Mr. Charlton:** I understand that.

**Hon. Mr. Brandt:** You talk about the range of bills that are proposed to be put before Congress in connection with this question. Each time one gets into a detailed analysis of one of those bills, whether it be for the zero reduction, the 12-million-ton cut or whatever, it immediately becomes an economic argument in that jurisdiction. That is one of the difficulties we have in Canada and why Mr. Caccia asked that the details of our negotiating position be kept confidential at this time. His request was quite appropriate. We agreed with him. It was not my recommendation but Mr. Caccia's request.

You are more than welcome to ask the question in the House, but I would have to respond in the way I am now responding if you did. I would repeat that, as a result of that agreement, I have to adhere to Mr. Caccia's request. I think it would weaken our position if there was disclosure.

**Mr. Charlton:** I understand that. I do not want to go blowing the ultimate negotiating position which Mr. Caccia is carrying. I am talking about an analysis of the pieces of legislation. This would not be for the minister to recommend that anybody go running out to lobby for a particular bill. However, if ministry staff were able to provide for us an analysis of those pieces of legislation, we are perfectly capable of making our own decisions about which ones would be most useful for Ontario.

**Hon. Mr. Brandt:** We can do that. That is not the problem. But Mr. Giles has been involved in the question in an international sense. He has attended a number of the meetings down there in connection with this and has had staff contact on this question. He may wish to talk about some of the economic complications as far as he is able to go, and perhaps address the question Mr. Charlton is raising with respect to an analysis of the various proposals that are in the mill in the United States at the moment.

12:40 p.m.

**Mr. Giles:** One of the difficulties we have in trying to analyse some of the bills in the US Congress is the lack of precision as to how they

would carry out what they are proposing. Some of them are very broad; they talk in terms of a certain number of states or just a broad amount of cut east to the Mississippi. Another one includes states west of the Mississippi.

Unless we have a pretty good idea of precisely how they would target the emission reductions, we cannot truly analyse in sufficient detail what the impact would be. What we would have to do before we could carry out a satisfactory analysis of the type you are talking about would be to try to obtain more detailed information about what the different bills mean in terms of where they are going to make the cuts.

The most precise one we have had was the four-state, four-million-ton cut, I think it was. That came closer to identifying the area of reduction, but even within that it would depend on how they chose to do it so that we could measure the impact in Ontario.

**Mr. Charlton:** You are right. We have copies of several of those. I do not know whether we have copies of all of them. As I understand it, the hearing process that is going to be commencing is where a lot of those questions will be asked. I presume at least some answers will be dragged out during that process. The position we are in is one of not having the capability of monitoring those hearings.

**Mr. Giles:** We are certainly proposing, as part of our following of the action in the United States, to be right on top of those hearings and to monitor them.

**Mr. Charlton:** What I am suggesting is that as they go along if you could provide us with some information about what you see happening there in the context of some definition of whatever information is dragged out of people around those bills as to where the reductions will occur, and then ultimately as to which of the pieces of legislation might be most useful in terms of reductions in this province, then individuals could get involved.

Basically, it is the process we are using on this winter navigation thing, for example—having people like David Cooke from Windsor go to a hearing in Detroit when they are having a hearing on winter navigation. Last weekend we had Bud Wildman from Algoma go across to a hearing in Sault Ste. Marie, Michigan. That is the same kind of process we could use in doing some lobbying for particular positions. What I am asking for is basically a flow of information in terms of what you are learning about those bills.

**Mr. Giles:** We can certainly try to keep up with it. One of the concerns I feel personally in this whole area is how far we go actively in the United States at this time. It is a nicely focused US domestic problem right now and, if the international dimension becomes predominant as an issue, I feel we will get less in the way of a final result than if we can keep the pressure on domestically in the United States. The New England states seem to be having pretty good success, especially the New Hampshire approach, where they are really putting the presidential candidates on the spot.

**Mr. Charlton:** I do not disagree with that at all. I think the domestic pressure has to be kept the major focus. What I am suggesting is that one-on-one contact between members of this Legislature and individual congressmen and senators will keep the international aspect of the whole scenario at a much lower level than if you guys are up there making presentations every second week before the congressional committee.

**Mr. Giles:** Another area which could be effective, and which I believe the minister intends to pursue, is his one-to-one contacts and perhaps collective contacts with the states, where they also can have an influence. There is no question but that the governors of the states can also have an influence on what happens in Washington. Building the bridges in all those areas is important.

**Hon. Mr. Brandt:** One of the most effective things we have done, which you may not be aware of, Mr. Elston and Mr. Charlton, is that we have had something called the VIP tours. The VIP tours are where we have invited influential US people who are involved in the question—not just politicians, but people at the working level staff and so forth—to come up to Ontario and see exactly what is going on here.

It is one thing to read in the newspaper that hundreds of lakes are dying and fish kills are occurring on a massive basis. It is like hearing about a car accident in Mexico City where three people were killed. You can look at it in a very dispassionate sense because it is not somebody you know, but it is three people who were killed and that sort of thing. It is different if they were three relatives of yours or if you know the people. In the case of the lake and fish kills, if you actually see the lake and experience it, you recognize the scientific basis upon which the death of that lake has occurred; it is an entirely different thing.

I have not attended these tours myself, but I have taken the tour, although not with our invited guests, and I can tell members that our staff is convinced this is one of the most meaningful things we can do. There were people who came up here who were not even convinced there was an acid rain problem, and I think the argument has now shifted within less than a year, from my following of the media on this question. Where the question was: "Are we really certain that the sulphur dioxide emissions are causing the fallout problem in Ontario? Do we have the scientific knowledge to be able to ascertain that is an absolute certainty?" it has now gone to: "Can we afford to pay for it and clean it up? How do we come to grips with the problem?"

That is a quantum leap from where we were even a short time ago. That has happened primarily as a result of Canada's and Ontario's efforts to do the very thing you are talking about. Perhaps we could be more effective, and I certainly will take under advisement some of the comments you have made because anything we can use as a mechanism to gain some leverage on this whole question I can assure you we are going to use.

I have been invited to meet with Mr. Ruckelshaus very shortly. I will be going to Washington to attend that meeting. Again I will be bringing the question before him, as forcefully and as sensitively as I possibly can, as to what we think is the solution for both of our countries. We are going to continue to work on it, I can assure you of that.

**Mr. Chairman:** Let me jump in here now. I let the discussion go on past 12:30 p.m. to pick up the few minutes we lost earlier in the morning. I would like to adjourn the meeting now until eight o'clock tomorrow night, at which time we will have to finish whatever response Mr. Brandt intends to make to the questions and, of course, have our votes tomorrow night.

**Mr. Elston:** I still have some questions on this aspect of it, though.

**Hon. Mr. Brandt:** We will continue with acid rain tomorrow until we have exhausted this topic, and then we will continue with the other.

**Mr. Chairman:** We will go as far as we can go, but we will have to reserve the last 15 or 20 minutes for our votes tomorrow night because the time will have expired.

**Mr. Charlton:** Let us just reserve the last five minutes for votes.

**Hon. Mr. Brandt:** To expedite the whole situation, if you want to vote on it now and approve them all we could fast-track this whole exercise. Do you want to do that? Mr. Charlton wants to do that and Mr. Elston wants to do that as well.

**Mr. Elston:** My question is this, does this committee approve your pressure-point applications as well? Do we approve your ministry's budget for the amount requested, or do we add another \$6 million or recommend that the committee favours your application for funding the Ontario Waste Management Corp. needs? There are a whole number of questions I have about that sort of thing.

**Hon. Mr. Brandt:** No. You approve what is in the book and what we are asking for. The other is—

**Mr. Elston:** It is what you need.

**Hon. Mr. Brandt:** —what is required over and above, if the demand line comes forward somewhat more quickly than we anticipate at the moment, but that will not be in the budget.

I would like to get on the record—you have already expressed your views with respect to the OWMC—that we do not want to delay or in any way slow down that particular facility through a lack of funds. I can assure you they will be available if and when needed.

The matter has been discussed up to the level of the office of the Premier (Mr. Davis) in regard to the approach we are using. So it is not a question of our ministry doing it in a vacuum.

In the interests of the austerity programs that are an ongoing part of the Ministry of the Environment and the entire government at this time, and to relieve some staff of perhaps having to come back on some of the votes that are going to take place tomorrow, I wonder whether I can get the concurrence, Mr. Chairman, of you and the members of the committee, to deal with vote 2101. It would allow us to let some of the staff get back to work instead of having them here.

Vote 2101 is the ministry administration program. If there are any specific questions, we can certainly deal with them but, if there are none, and it is a noncontroversial vote, I would like to get approval on that.

**Mr. Chairman:** I thought the entire estimates were noncontroversial.

**Hon. Mr. Brandt:** They are, really. Certainly we will defend every single dollar in that budget.

**Mr. Elston:** We are in a sort of short time period; so how be it if we leave it so those people

can be excused? If there is something that happens to come up tomorrow, maybe you could take it under advisement and get an answer for us later.

**Hon. Mr. Brandt:** Whichever way you want to proceed.

**Mr. Elston:** I do not see why they should be asked to be back, because we may go with this acid rain for a little bit longer. I am quite willing and prepared to accept that if you are unable to provide the answers—

**Hon. Mr. Brandt:** I am always able to provide an answer; it may not be the one you want.

**Mr. Elston:** —or the technical information which we require, you could extract it by some means from your ministry files.

**Mr. Chairman:** Are you prepared to dispose of this one vote?

**Mr. Elston:** No. I think the people can be excused. I do not like to close off a vote in case

something comes up. We will go to those votes tomorrow. We really have not got into anything. I would like to review some of the questions that I had intended to ask when we got into these step-by-step things that we had planned but that we are not going to get into. I think the staff can be excused, though.

**Mr. Chairman:** With the concurrence of the committee then, the staff that would be affected by vote 2101 can be excused for tomorrow.

Agreed.

**Mr. Charlton:** I do not know why you are worried about defending every dollar in these estimates, when the only questions we have asked you about dollars have been about the ones you have cut.

**Hon. Mr. Brandt:** I have taken note of that already.

The committee adjourned at 12:54 p.m.

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# Hansard

## Official Report of Debates

### Legislative Assembly of Ontario

**Standing Committee on Resources Development**  
Estimates, Ministry of the Environment

**Third Session, 32nd Parliament**  
Thursday, October 20, 1983

Speaker: Honourable John M. Turner  
Clerk: Roderick Lewis, QC

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# LEGISLATIVE ASSEMBLY OF ONTARIO

## STANDING COMMITTEE ON RESOURCES DEVELOPMENT

Thursday, October 20, 1983

The committee met at 8:07 p.m. in room 228.

### ESTIMATES, MINISTRY OF THE ENVIRONMENT

(concluded)

**The Vice-Chairman:** I recognize a quorum. I would remind the members of the committee that we are now 10½ hours into a 13-hour period of estimates. We have to date passed item 4 of vote 2104, so we have several votes to pass before the end of the evening. We adjourned the other evening on the topic of acid rain. I believe Mr. Elston was in full stride at that time.

**Mr. Elston:** No, I had not taken my first step yet, Mr. Chairman. I was just getting ready to get started.

**Hon. Mr. Brandt:** Mr. Chairman, before Mr. Elston gets started, might I just take the floor for a couple of moments? I will be very brief.

This is in response to your hat of the other evening. I thought before you started your speech I should bring some of that. I knew you were going to be speaking tonight, and your colleague wanted to know about the signing on polychlorinated biphenyls.

**The Vice-Chairman:** For the record, did you want to indicate what the nature or the name of that spray was?

**Hon. Mr. Brandt:** Yes, it is called Completely Effective Repellant.

**Mr. Charlton:** Has it been approved by pesticides control?

**Hon. Mr. Brandt:** There is a little thing in the bottom here that says no. I am sorry you did not bring your hat with you. We could have—

On vote 2102, environmental planning program; item 2, air resources:

**Mr. Elston:** As I earlier told the minister, I am going to make a claim against his insurance because the flaps burnt out after his opening remarks and I had no alternative but to leave it at my office hoping I could find somebody to repair it.

In any event, Mr. Chairman, thank you for allowing the minister to start off on a light note on the final wrapup of this session. I guess we are a long way from finishing our questions to

the Ministry of the Environment, but in all fairness, no one can ever hope to cover all the aspects of even any one of these particular subjects with which the ministry is involved.

It is encouraging to see how much distance we have covered. It might involve the time that was taken in the first part of our estimates in the spring with opening statements. I think if we can improve upon our opening statement length, maybe we would even get further with some of this.

In any event, we are talking about acid rain. We had one of your ministry staff, Mr. Giles, here last sitting, indicating that part of the program you were looking at was an exchange of information, helping the United States to discover the necessary material that will get us away from this. We need more, and it is always encouraging to see that sort of co-operation taking place and the type of interchange of information that you are advocating.

However, if we get right down to it, action has always spoken louder than words and, in many instances, words, however cute or evasive, will cause us difficulties. That is particularly the case when one considers the sentiment in the United States expressed in various sectors by the lobbies opposed to any cutting back of operations by coal-fired generating plants or the installation of scrubbers on those plants or whatever. We have seen over the last few months a significant increase in the activities of the lobby and their representatives over there.

I know you mentioned a particular gentleman's name, Congressman John D. Dingell, the other evening and said that you were going to be seeing him. I congratulate you for that, but I also have to warn you and provide a bit of warning to the critic for the NDP who is sending his colleagues helter-skelter throughout the United States, proposing positions on behalf of their party. Whether or not that happens to be the position of the government of Canada or the position of the government of Ontario, we do not know. It never gets back to us until such point as it may be used as a lever against some of the positions put by our authorized individuals when dealing to settle international treaties and state-provincial treaties or whatever other agreements.

In particular, I am concerned because I have received some information that the activities in Ontario have come under a great deal of criticism, in particular from Congressman Dingell. I understand he has asked—and probably this is the reason for your setting up a meeting with him—for a good number of details concerning the activities of Ontario with respect to actual cutbacks.

In fact, I understand there is a whole series of questions he has written to the ministry. I understand he has not had a reply. Maybe you have replied recently; I do not know. For the benefit of the committee, I would like to go through some of the questions he asks. Perhaps you could provide us with some indication of how you are going to be answering those questions. In particular, what would be even more appropriate is that you would be able to provide the committee with a copy of the letter from the previous minister.

**Hon. Mr. Brandt:** Let me state up front, Mr. Elston, there has not been a response to that letter as yet by either Mr. Norton, to the best of my knowledge, or by myself.

Before you get into the questions, I want you to know the matter is going to be up front on the agenda of the environment executive committee on Monday and we will be going through the proposed responses in detail.

I know the content of the letter and I have no objection whatever if you read it, or any of the questions in it, into the record. As you are aware, most of them centre on Inco and the smelter operations. In fairness to the ministry, I should add that the questions are worded and framed in an extremely interesting—and I use that word without apology—fashion. They are moving towards an almost established response that could be embarrassing to Ontario if those are the only questions you answer.

I will tell you that before the executive committee on Monday I intend to answer those questions. I also intend to answer a number of questions that the congressman has not bothered to ask yet.

**Mr. Elston:** That is fair enough.

**Hon. Mr. Brandt:** I did not mean to deter you.

**Mr. Elston:** I am really raising this letter as an issue to indicate it is necessary for us—I was a little concerned with some of the problems we may be getting into if we refuse to respond in an active and visible manner, whether or not the United States takes the initiative.

I had thoughts about not going through this

letter, but I am extremely concerned if we choose, as a group of individuals in this country, whether we be members of the federal or Ontario governments or members of particular political parties, to run all over the place putting up positions which may compromise us. That is why I am dealing with this matter now and trying to indicate that a great deal of difficulty has originated from an original letter. Could you provide us with a copy of the letter Mr. Norton sent to Congressman Dingell?

I will go through the types of questions that really make up the pointed results this congressman wants. I know he has even gone further to complain in writing he has not received an answer to this letter, which even further compromises our negotiating position. In any event, here are some of the questions, and you can provide us with some of the material.

For instance, he starts this by saying: "In order to better understand these matters and the history of Canada's efforts, I would appreciate your response to the following:"—this is a letter to the honourable minister.

**Hon. Mr. Brandt:** Mr. Norton.

**Mr. Elston:** "1. Did the Ministry of the Environment in 1970 order Inco to reduce sulphur dioxide emissions from 5,700 tons per day"—and tons he has spelled t-o-n-s—"to 750 tons a day by the end of 1978? If so, please explain why that order was never carried out.

"2. I understand that in 1975 your government gave consideration to reducing the Inco emissions to 1,500 tons per day by 1979, but the company resisted on the grounds that it was not economically and technically feasible. Is that correct? What were these technical and economic problems?

"3. Am I also correct in my understanding that in 1978 Inco was actually emitting 3,600 tons per day of sulphur dioxide and that your government issued a permit authorizing this large annual emission? Please explain why your ministry, in effect, approved this actual limit at this time despite earlier directives to reduce these emissions below that limit?

"4. I also understand that due to a poor market for its product, Inco in early 1980 reduced its emissions to 2,500 tons per day. Did your government issue an order in May 1980 requiring Inco to reduce sulphur dioxide emissions to that level?

"5. It is reported that in 1979 Inco said that it had developed a new process to reduce emissions by 25 per cent. Did your government also

issue an order in May 1980 requiring Inco to install this process and reduce emissions to 1,950 tons per day by December 31, 1982? Your letter states that an order was also issued in August 1982 requiring such a reduction 'beginning this year.' Is Inco in full compliance with both orders?

"6. (a) In the case of Ontario Hydro, how many coal-fired plants are operated by the firm and where are they located?

"(b) Is 1980 the base year for your regulation of sulphur dioxide emissions at this utility? If so, what were the total sulphur dioxide emissions of Ontario Hydro in 1980? What were they before that year?

"(c) Your letter states that this utility will be required to reduce its emissions by 1990 by about 43 per cent with an interim reduction by 1986. What will be the interim reductions from the base line? What are these reductions in tons?

"(d) How many coal-fired generating units are operated by this firm? How many scrubbers are installed or are planned for them? I understand that in 1981 Hydro announced plans to install scrubbers on two units. What is the status of those plans, including the timetable for installation?

"(e) What orders have been issued to Hydro?

"7. It is our understanding that there are other sulphur dioxide emission sources in Canada, including Ontario. What are those sources? What are their emissions? What is being done to reduce them?

"8. What were the total sulphur dioxide emissions from all sources in Canada, including Ontario, in 1970 and 1980? What is the total planned reduction by 1990?"

I think the particular letter is one indication of why people such as Mr. William Ruckelshaus and Secretary of State Schultz can stand and say they need more information. They are not sure they have the whole story of what is happening in Ontario, what has happened or what is intended to happen in the future.

Perhaps I could stop there. If you want to take a run at some of those things—and I acknowledge you have not formulated a full response yet—perhaps you could go as far as possible in answering some of those questions for us.

**Hon. Mr. Brandt:** I am intrigued as to how you got a copy of the letter in question. I certainly take no exception to your getting a copy, other than to say that if whoever got you the copy wants a job some time, I would like him to apply to our ministry. We would like to have

that kind of person available to us, whoever it might be.

**Mr. Elston:** I do not know whether they would be interested or not.

**Hon. Mr. Brandt:** One would never know, but I think it is an excellent piece of research work and I compliment you. I am not saying it in a critical sense at all.

**Mr. Elston:** It did not come through any personal or mutual contacts if I understand what you are suggesting.

**Hon. Mr. Brandt:** No, no. I was not suggesting anything, nor was I implying anything. I just think there is someone around you who has a degree of talent. I was complimenting you on whoever that someone might be.

**Mr. Elston:** I want to remove any indication that it might have been someone with whom we are both quite familiar.

**Hon. Mr. Brandt:** No. I was not implying that at all. I know to whom you are referring, and the name was not mentioned and certainly would not be.

I will share with members of the committee that the letter was discussed as recently as Friday with the Canadian ambassador to the United States. We discussed the letter in some detail and agreed that our response would be co-ordinated, for all of the reasons you have quite appropriately mentioned. The co-ordinated response would be on behalf of Environment Canada, on behalf of the ambassador's office and on behalf of our own ministry. In other words, it will not be an individual effort.

We recognize the critical importance of drafting an appropriate and effective response in this instance. As I indicated at the outset, the matter is going to be discussed on Monday morning by our executive committee, which is made up of myself and the senior staff members; then it will be cleared with Environment Canada, because of my obvious relationship with Mr. Caccia on this question, and with the ambassador's office.

I intend as well, in response to some of the questions you have raised, to expand the letter and to embellish it to include things such as the past performance in a global sense; in other words, the total emission cuts realized in Canada and in Ontario over the past few years. The questions raised zero in on one of the most difficult areas of cuts, recognizing the economics of the day, the technology problems that Inco faced over the period of time, some of the changes with respect to the detail of control orders and those kind of things.

To focus only on the Inco situation would be unfair to the total Ontario effort, so I would like to expand it to include what has been done with Ontario Hydro, what has been done with total emission controls and reductions and give as clear a picture as possible. When I say I want to expand it to include some other things, those are the sorts of things I want to talk about.

There is no question that Congressman Dingell has all the information in the latter part of the letter with respect to total Canadian emissions, because we also have all the information at this point in time on total US emissions. I was going to ask André Castel from our staff to speak in regard to our computer screening model and the kind of information we used to arrive at the final position Mr. Caccia received at the Fredericton conference, because it was basically our computer screening model that was used to assemble the package of details needed to put a sound position forward with the American government.

There are a number of things in that letter about which Mr. Dingell has the information already, but we intend to answer those questions as well.

I can give you the rounded numbers right now. There is about 22 million tons in total emissions coming from the United States, and there is about four million metric tons in Canada, of which about 50 per cent, or about two million metric tons, is in Ontario. I am sure you know the numbers on Inco and Ontario Hydro as well as I do; you are aware of those, and I think I mentioned them earlier. The order on Ontario Hydro requires them to reduce by 200,000 metric tons by 1990—this is in addition to the tonnage reductions that have already been experienced—which will take them down from 500,000 to 300,000 metric tons. That is approximately a 40 per cent cut; the exact number is 43 per cent.

8:30 p.m.

What I would like to do in connection with the Inco matter is to call forward at this time one of the staff members, Dr. Gregg Van Volkenburgh, who I believe can discuss some of the specifics of the Inco situation. With your consent, I would like to call him forward at this time and then deal with André on the computer screening model as quickly as we can. I would not want to take a long time on this because of the other things you want to get into this evening.

Dr. Van Volkenburgh, will you come for-

ward? I believe you are familiar with the letter. I do not know; I have never talked to you about it.

**Dr. Van Volkenburgh:** I have seen it.

**Hon. Mr. Brandt:** I think you have heard some of the questions. Basically, the area I want you to respond to is the Inco situation and why—this is what Congressman Dingell is raising in his letter—we did not force Inco down to the numbers that were suggested in some of these questions.

**Mr. Elston:** Before that, minister, did say you could give me a copy of the initial letter?

**Hon. Mr. Brandt:** I committed myself to give you a response to the letter when we get the response drafted. Did you want a copy of Dingell's letter?

**Mr. Elston:** No. Mr. Norton's letter.

**Hon. Mr. Brandt:** No, no. I indicated at the outset that Mr. Norton never responded.

**Mr. Elston:** No. His initial letter to Mr. Dingell that courted the response.

**Hon. Mr. Brandt:** Oh, I am sorry; I misread you. I have never seen that particular letter, but if it is available, I will get it for you.

**Mr. Elston:** It might be of assistance, when you are reviewing this on Monday, to have gone through that letter fairly carefully.

**Hon. Mr. Brandt:** All right. For the record, Mr. Chairman, I have committed to get a copy of Mr. Norton's original letter to Congressman Dingell as soon as available; and you will recognize that I have to do some clearances on the response I send. I will send both of the critics a copy of my response, the official response we finally draft.

**Mr. Elston:** Fine.

**Hon. Mr. Brandt:** You have that commitment.

**Dr. Van Volkenburgh:** The emissions at Inco have dropped a considerable amount since the late 1960s. At that time they were in the order of 7,000 short tons a day, and at the present time they are something less than 2,000 tons a day.

My understanding of the control order that was issued, which gave the deadline of 750 tons a day in 1978, was that it was predicated on the assumption that new technologies would be developed by Inco which would allow them to come down to that limit. One of the primary technologies Inco experimented with was a hydrometallurgical process, and that did not work out to their satisfaction. At the same time there were problems in byproduct marketing of

acid, which might have resulted from other measures that Inco was going to introduce.

In the 1977-78 period, Inco made it very plain to the ministry that the process they had banked on simply was not going to deliver. They asked for an extension—a stay of execution, if you like. Since that time, of course, the pyrrhotite rejection process has been installed, and Inco has invested a considerable amount of money in looking at newer types of production processes, for example, and they have tested that at Thompson.

I think it is fair to say that they have come to the conclusion that the technology is no longer an issue. I was a member of the Ontario/Canada Task Force on Inco and Falconbridge pollution abatement, and we published this tome. I do not believe there is any great disagreement between us and Inco and ourselves and Falconbridge, or even the federal government and the companies at this point, as to the technology from this point in time. I think all of us in government and industry have become a lot more sophisticated in terms of looking carefully at possibilities that could be put into place before orders are issued.

I think the main argument at this point is one of money. Who is going to pay the money? How fast is it going to be spent? Do the companies have the money?

**Mr. Elston:** Is looking at how long we can afford to wait part of the concern?

**Dr. Van Volkenburgh:** In my other duties as air resources director, I am responsible for a lot of the atmospheric modelling, and we have done a lot of work in terms of Inco's impact on Ontario, Quebec and the United States. As large as Inco is in terms of its emissions, you could shut Inco down and it is not going to turn the tide in terms of deposition on Muskoka, Quebec or the Adirondacks.

In fact, there are some tables of numbers in the report that indicate Inco has certainly had an effect, and these mathematical modelling predictions are borne out by our studies of Inco's shutdown in the 1980-81 period. However, there is so much sulphur dioxide coming from the south—from southern Ontario and mostly from the United States—that there still is an awful lot of deposition occurring. I am not sure Inco can solve the problem alone to any great extent. The task force said, I think quite explicitly, that Inco is not the only villain in the piece.

**Mr. Elston:** No. I think that is understood from what was said there. I guess that putting

together that tome you indicated is sort of a front for the real mass of technological work that went before it. I suppose it comes down to the availability of funding, as you have indicated. I wonder whether you went any further in trying to suggest where we would get the money to implement the technology if we wanted to get down to 43 tons quickly?

**Dr. Van Volkenburgh:** My recollection of the terms of reference was that we were to examine the possible technologies, their cost and their impact. I am not sure it was even vaguely referred to in our terms of reference that we were to make recommendations to government as to who was to pay for it.

**Mr. Elston:** No. I was just wondering whether that was considered to any extent during your discussions. I know generally how these things are put together, and often the mandate is secondary to the discussions that go on. I was wondering whether you could comment on that without speaking officially for the study group.

**Dr. Van Volkenburgh:** I would not even want to comment unofficially, because we did not take an awful lot of notes on items that did not concern the terms of reference. But it certainly was discussed, and one can deduce pretty quickly that there are only two or three places where \$500 million or \$600 million can be found.

**Mr. Elston:** This brings me back to the minister, when we talk about the \$600 million. I understand from press reports that you are having difficulty convincing some of your colleagues in cabinet that \$600 million ought to be made available for installing the technology. I wonder how that sits with some of your initial comments. You indicated it might be a role for government funding, in one mode or another, to help implement the technology so we could take immediate steps, even if the money is not available through the companies at this early date.

**Hon. Mr. Brandt:** I stand by my initial statement. Recognizing the economic realities of the day and being able to read a financial statement with reasonable accuracy, I know the position that Inco is in. Certainly any financial consultant from whom one might request some information would have the same conclusion. He would say Inco is probably not in a position to undertake—I will use your figure; I do not know that it is correct—a multimillion-dollar abatement program.

I am not going to be able to give you as full a

response as I will be able to do very soon, when that opportunity affords itself. However, I can say that Inco, along with Ontario Hydro and all sources of emissions in Ontario, is part of the total package that was discussed in Fredericton. Also, it is part of the package that is still confidential, as I agreed with Mr. Caccia—he has not released the details of that package yet—but I can say that there is a funding formula within that package that deals with the broad question of all sources of emission.

To allay any fears the United States government might have with respect to our ability to respond, we have covered all the questions in as appropriate a way as we possibly could. Again I have to go by the public statements that Mr. Caccia has made. He has said he received more co-operation and, frankly, a stronger negotiating hand than he anticipated when he went to Fredericton.

I can ask you to do nothing more than to be patient about the answer to your question. Obviously, I can answer it, but I am not in a position to do so at this point. I knew that is what you were getting at with Dr. Van Volkenburgh. He was in Fredericton and is under the same restrictions that I am under.

8:40 p.m.

**Mr. Elston:** Certainly I was not meaning to compromise either of you.

**Hon. Mr. Brandt:** I would have jumped in if I thought you were trying to compromise him. I sat back and allowed the conversation to flow freely because I thought you were into an interesting area. I cannot give you the specific funding formula for any of the emitters, including Inco, because of those existing conditions.

**Mr. Elston:** As long as there is something in place that you are working towards; that is a positive indication. Quite frankly, I am willing to be patient with the development of things international and interprovincial because of its sensitivity. I fully appreciate your position and that of members of your staff in that regard.

**Hon. Mr. Brandt:** Let me go one step further. I think I am on reasonably safe ground in saying that cabinet has agreed to the Fredericton accord. I am not saying they agreed with the question you raised earlier about funding for Inco. To make it very specific, they have agreed to the negotiated package that was presented to the federal government.

**Mr. Elston:** Would you have been here had they not?

**Hon. Mr. Brandt:** I wonder whether there are any other questions you might have.

**Mr. Elston:** Let me put it another way. How strongly do you support the Fredericton accord? That is the other end of it. Do you think it is the best package that could be put together?

**Hon. Mr. Brandt:** I think it is the best package that could be put together. Again, I have to say that Mr. Caccia was satisfied. All the ministers of the environment from the emitting provinces, namely, those east of the Saskatchewan-Manitoba border, agreed with the package. There was unanimity among all of my colleagues representing all those provinces.

I feel very strongly about the package. I have no hesitancy in telling you that the Ontario staff have already alluded to the fact that the computer screening model was one major element in how we brought the agreement together. The Ontario staff were absolutely critical to the solution we finally arrived at. I am extremely proud of the staff and the role they played.

As I have said in many instances, the minister in circumstances like these acts very much as a messenger. You have to have the technical data, support and information available from your staff to be able to argue a position. I recognize quite openly and honestly that without their assistance I would not have been able to chair that committee and influence my provincial colleagues that the package we were putting together was correct and finally present it in some fashion that would bring in the federal government on a totally agreed basis.

I hope that answers your question.

**Mr. Elston:** No. But we will wait patiently—although I must say that some of your statements are trying my patience. I have a number of questions which flow out of that, but I will await a later date because some of the indications have kindled my curiosity. A number of questions will just have to await some resolution of the current situation with the acid rain negotiations.

**Hon. Mr. Brandt:** I recognize that it is an area where in all probability—

**Mr. Elston:** Maybe we could agree to reopener estimates after the matter.

**Hon. Mr. Brandt:** We are probably going to do something like that, because I have already committed to a briefing for both yourself and Mr. Charlton in connection with the beach issue. I have no hesitancy in filling the information out or rounding it out to the extent that you would require it on acid rain, because I can

assure you we are not going to finish it in these estimates.

I would like you to be in a position to know as much as is possible, from my standpoint and the standpoint of my staff, in regard to the information we have on that question. They are vital questions. I do not think they are, in the fullest sense of the word, always political questions. I think they are very real questions that we all want to resolve. Perhaps the only way we can do it is by a more substantive briefing on those matters. Anyway, I will defer to you.

**Mr. Elston:** Thank you. I had better let someone else pick up from here.

**Mr. Chairman:** I have Johnson, Charlton and McGuigan down.

**Mr. J. M. Johnson:** Mr. Minister, to save compromising your position, I would like to speak as a private member and just express my concern over some of the articles I have read in the press lately about the Americans' attitudes towards acid rain.

I had the opportunity to go to Washington a couple of weeks ago. During our hearings we had the opportunity to meet with the congressional research service of the Library of Congress. The researchers were explaining what a wonderful process they had to give their members of Congress and the Senate the latest information.

I challenged them. I said, "If I were a senator or congressman and I asked you about the problem of acid rain, could you have some material for me within a reasonable period of time?" They said, "We can have it tomorrow morning." They had it within two hours. It filled this box. I brought it home because I thought there was information there that was—

**Mr. Elston:** That was the initial deposition.

**Mr. J. M. Johnson:** It was. I am concerned, because they recognize the fact, they know there is a problem, and I will just read a couple of short sections out of this: "Acid rain: the dripping of a poison rain is all the burning sand receives. A chemical leprosy is eating into the face of North American earth. This chemical leprosy is commonly called acid rain. Acid disposition, acid precipitation, acid rain, whatever name you want to use, is caused by the emission of 50 to 60 million tons of sulphur dioxide and nitrogen oxides from the combustion of fossil fuels."

Having said that, the Americans accept the fact that there is a problem but since it goes beyond their borders they do not give a damn.

They care in some areas but not to the degree they should. I think you mentioned Missouri. It was a matter of trying to explain to "someone from Missouri" what it is all about. Our emissions from Inco, I understand, have a tendency to drift down over the northeastern states and create a problem for them. At the same time, we inherit their problems coming from the south.

It is an international problem which is not going to be addressed by the environment ministry of any province. It is going to take a combination of a lot of political pressure, of all three parties in this House plus the three parties in the federal House, and a lot of assistance from the other provinces affected, to persuade the Americans that the problem goes beyond their borders.

There is a possibility that with primaries in New Hampshire and the other New England states we can exert a little pressure. Indeed, three or four weeks ago, I thought this was the way they were going. Unfortunately, during the last few days the press has appeared to have swung the other way. At least the news stories say that the Americans are flipping again.

**Mr. McGuigan:** That is right. The congressman from California does not give a damn about the northeast either.

**Mr. J. M. Johnson:** As I say, I am speaking as a private member, not as a member who could embarrass the government by saying something that would compromise our position.

I think we have an obligation as members, if we have a concern for our environment, to do what we can to convince the Americans that they are wrong. During my visit to the United States, I had the opportunity to talk to several congressmen and they share our concerns.

Unfortunately, I do not think some of them really know what is going on. We were discussing the procedures of their Congress in relation to ours. They said they presented the budget a year ago and there is a 10-inch-thick document which none of the 435 members had an opportunity to peruse. If they do not know about their own budget, they are not going to know about problems such as this.

They present something like 10,000 bills in the House each year and try to deal with them. There are 40 or 50 committees and subcommittees. Acid rain is just lost in the shuffle. Unless they are from New York, New Hampshire or Vermont, the congressmen are not going to be all that concerned.

So we have a problem and it is a problem the minister cannot address by himself. I am not

really sure how we can get it across but I think we do have an obligation—all of us—to work together, both federally and provincially, to impress on the Americans that it is a problem. We are willing to clean up Inco and some of the others, but it has to be a tradeoff.

8:50 p.m.

If we receive 40 million to 50 million tons from the Americans and we have to cut our emissions, we should do it proportionately. It is unreasonable to expect us to cut out all our emissions south, while the Americans do not care about what is coming north. It is something we have to accept and make a realistic tradeoff.

**Mr. Elston:** In that sense, I think it would help if we showed them. Action is still going to speak louder than the number of words we generate.

**Mr. J. M. Johnson:** It is my understanding that we have taken the first step by agreeing to make whatever percentage arrangement they will accept. If they are willing to clean up 25 per cent in the foreseeable future, we will do the same. This was an understanding I thought would be in place this fall. I am not sure what has happened, and the minister is more knowledgeable than I am. I am speaking only as a member who has a concern.

**Mr. Charlton:** Just on that issue though, there is one other thing we have to remember. I do not know if there are any particular situations that fall under this category right now, but I imagine there are somewhere. I recall 15 years ago when Stelco was emitting one hell of a lot more sulphur dioxide than it does today. The emissions at Stelco have been cut back considerably. There is probably still some work to be done there. In those days, we did not have any superstacks in Hamilton to move the emissions up and make them available for long-range transport, and we were doing one hell of a lot of damage to ourselves.

When I was in high school, I worked in a gas station. If people parked their cars down at Stelco in those days it could destroy the paint job on a new car in six months. That is just an indication of the damage it was doing to everything else. You recall what the Sudbury basin looked like before the superstack was built. There are other reasons besides our negotiations for cutting back our own emissions, especially in specific areas.

**Mr. J. M. Johnson:** I am not giving any argument that we should continue to pollute our own atmosphere. It is only sense that we should try to do everything we can to clean it up. I read

a copy of a publication, I think by Edison, one of the power corporations, a few weeks ago. It was a document of 30 or 40 pages. The first half outlined all the problems of acid rain and dealt with them in a very scientific way. I thought it was a tremendous article.

Then the second half gave all the reasons why they could not substantiate that there really was a problem. They said the fish had been dying in the Adirondacks for the last 30 or 40 years. They could not scientifically prove that acid rain was a problem, and besides that there was a liming process that was very effective, much better than scrubbers or any other method of cleaning up.

It was a lobbying effort not to have to do anything to clean up their own problems. The Americans have a problem satisfying the Virginia coal miners and their problem of soft coal and high sulphur, and I guess they have an environmental problem getting hard coal out of Montana and some of the western states. They are finding they do not have the political will to do what is necessary to clean up the atmosphere, and we pay the price.

Having said that, I would simply say the Americans know what the problem is but they have not faced up to the fact that we can exert enough pressure on them to make them do anything about it. Until we can do something about that, I am not sure what we can do.

**The Vice-Chairman:** Just before you conclude, is there something in that box you wanted to show us now?

**Mr. J. M. Johnson:** No.

**Hon. Mr. Brandt:** I think the staff in my ministry would be interested in having an opportunity to peruse some of that material, Mr. Johnson, if you could make it available to us when you are through memorizing it all.

**Mr. J. M. Johnson:** It is my understanding that this is the material that will be provided for briefings to Congress when the senators wish to delve into the subject. I will be pleased to give it to you, and you can find out what material they are being given. I think it is realistic.

8:50 p.m.

**Hon. Mr. Brandt:** It might help if we respond to a certain letter that was a matter of some interest just a few moments before you arrived tonight.

**Mr. J. M. Johnson:** There was a slight charge

**Hon. Mr. Brandt:** Was there a delivery charge involved as you took it across the border? I

there was, please submit your bill to the Ministry of Intergovernmental Affairs.

**Mr. J. M. Johnson:** Customs is charging so much a pound.

**The Vice-Chairman:** Let us set the record straight. Mr. Johnson has now filled the box with the documentation that he was referring to, which is what he found south of the border. I think that will be very useful to the ministry. Thank you very much.

**Mr. Charlton:** Mr. Chairman, I will be very brief. I just want to deal with one aspect of the issue which Mr. Elston raised about the aspect of Canadian and Ontario involvement in international situations.

I agree with Mr. Elston. I think the minister made the point on the last day we met when we were discussing it, that it is a very touchy situation in most cases at least. We have to be very careful. I just want to assure Mr. Elston, first of all, that members of my caucus are not flying off willy-nilly and helter-skelter all over the place.

The issue we have been dealing with is the winter navigation issue, of which we first became aware in August. Before we did anything on that issue, Mr. Rae consulted with the Premier of this province (Mr. Davis). We also consulted with your colleagues in Ottawa, Mr. Caccia and his staff, and we consulted with the Canadian delegates on the International Joint Commission before we did anything.

As a result of our involvement, we have not only managed to apply some pressure but finally got a response out of the federal government of Canada into Washington on that issue, which had not been placed until we raised the whole matter.

I agree it is important that we not get involved in taking positions that may compromise the positions of our federal or provincial governments in the negotiations they are carrying on. That is precisely why, on the last day when we were discussing the acid rain issue, I asked the ministry if, without their taking a public position, they could do an analysis of the bills that are currently in Washington and provide us with some information in terms of which bills it might be best to support in terms of the ultimate positions they will be taking.

They do not have to tell us what their positions are, but simply indicate which bills would best suit the position they are looking to get. We could then play a useful role in that situation. Right now we are sort of in the dark as

to exactly which route to go, other than knowing we should be applying pressure on the acid rain question. Therefore, on that particular issue we have not done anything. That is why I was asking for that kind of consultative role, what role we might play in terms of lobbying individual congressmen and senators on that issue.

I do not disagree with what you are saying at all. I just want to make it clearer that is exactly the intent in terms of why I raised the issue. The consultation has to be clearer, so we do not or you do not do anything to compromise the position of our federal government or our provincial government on any issue in terms of negotiations with the United States.

**Mr. McGuigan:** Minister, I could follow your well put forward arguments at the last meeting about the United States and Canada taking certain steps. You take this step and I will take this step, we negotiate and we gradually move forward. It makes eminent good sense. I suppose the position we would take is we would like to go on percentages, while the Americans would probably like to go on tons. Of course, you know who would win on that.

It seems to me this argument goes beyond governments, because governments, in the way they act, are each going to work for the best interests of their constituents—especially, I guess, in recent years when American-Canadian relations are not as good as they used to be. The senator from West Virginia is going to work for the coalminers, and I guess we cannot expect anything else under a democratic system.

We find ourselves in a battle for the minds of a lot of the environmentalists in the United States, the people who take up these causes, and there are a lot of them. But when the American senators point to Inco—unfortunately it always has to come down to Inco—and say, "This is the world's largest emitter, emitting one per cent"—perhaps a little more, but it was not long ago—

**Hon. Mr. Brandt:** Just for the record, it is about half of one per cent of the world total.  
9 p.m.

**Mr. McGuigan:** It was not too long ago that it was one per cent.

**Mr. Charlton:** Inco. Point five per cent of—

**Mr. McGuigan:** When they wanted a higher figure, it was one per cent; even at a half per cent, in global terms it is probably the most significant emitter we have. As long as they can come out and use that in their political rhetoric,

it does not create a climate where those environmentalists over there can have much of an impact.

I realize this might sound a bit idealistic, perhaps it is even naïve, but given the relative strength of Canada and the United States we are not going to be able to force them to do anything. Should we not really consider stepping out and being a bit ahead of the crowd? I realize this is going to cost money and, as you say, Inco probably cannot contribute very much to that. Perhaps only we as Canadians and Ontarians have to take a little bit of a gamble and do a bit of leading.

I was surprised, I think it was about four years ago, when I went to Sudbury. I went to a meeting there that was called for the purpose of our examining this question. A lot of the townspeople and merchants were all there advocating, "Don't do anything because look at all the jobs and money that flow to the merchants."

I was particularly impressed by a miner who got up and really castigated this merchant—the merchant had been in town a short time and this fellow was about a third-generation or fourth-generation miner—and he was all on the side of the environmentalists. Maybe attitudes have changed in the last three or four years. I was surprised at the amount of support there was for the environmental aspects of this issue.

I just raise it as a question that has been hinted at, but I do not think anybody has really come out directly over it. Perhaps we have to gamble a bit and be in the forefront so that we can say to the United States, "Look, we have done this, and Inco is no longer the world's worst emitter." We cannot guarantee that it will succeed. I guess the chances that it will succeed are less than half. Nevertheless, with the terrible degradation which this is bringing about to our eastern provinces and to Ontario, maybe we have to take that chance.

One other question. Quite recently, in a discussion about better ways of controlling acid rain, especially in coal-fired plants, the suggestion was made that calcium could be thrown in with the coal rather than having a scrubber. I do not know how technically feasible this is but there have been a number of reports recently that have stated that acid rain can be handled a lot easier and cheaper by throwing the base material, the calcium, right in with the fuel.

**Hon. Mr. Brandt:** Our staff has looked at that technology and I would like Dr. Van Volkenburgh to respond, if he might, to the question of the calcium application at source to coal.

**Dr. Van Volkenburgh:** I think the technique you are referring to, sir, involves the mixing of ground-up calcium. It is actually sprayed into the flame along with the pulverized coal. This is something that is entitled the limestone injection technique. What they do is put that in and they modify the combustion characteristics, so it is a multi-stage burner.

It is something the German government has been looking at quite seriously for a number of years. Initially, the United States dismissed it as being an impractical technology, but about 15 months ago they changed their minds and they have been sending people to Germany to look at the technique. In fact, they have been talking about building pilot installations in the United States.

In the jargon, it is a kind of dry scrubber. Instead of trying to have the sulphur taken out after the combustion stage, the sulphur is combined with the calcium right in the flame. It is a lot neater in terms of cost and operations. The cost in dollars per ton of sulphur removed is probably going to be lower for that kind of scrubbing, but it probably will be a number of years yet before it is developed. If the United States is going to insist on scrubbers right now, the workable technology is the wet scrubber where a sort of shower sprays the gas. The dry scrubbers will come a bit later.

Ontario Hydro looked at this as part of its assessment of various technologies. Hydro has concluded it is not very practical right now for it to build any kind of scrubber. It put scrubbers on hold because its demand for coal is dropping very quickly and its ratio of western Canadian coal to US coal is going up very quickly. Hydro is going to be using more and more western Canadian coal, which has very little sulphur. Its conclusion is that for peaking plants it is not worth while to build any kind of scrubber.

**Mr. McGuigan:** This is kind of an academic question, but on that subject do we have in Canada the amount of lime to fill the need, supposing we go that direction? Is it located near enough to power plants to make it practical? They talk about liming lakes, but it would be a heck of a lot cheaper to lime the boiler than to lime the lake. Do we have the quantity of material needed and is it close enough?

**Dr. Van Volkenburgh:** Yes. Southern Ontario certainly has deposits of lime, and I think parts of eastern Canada do as well.

**Mr. Elston:** It is a lot closer than shipping it

from Ottawa to northern Ontario to dump it into water bombers.

**Dr. Van Volkenburgh:** Yes.

**Mr. G. I. Miller:** Is it correct that we have no shortage of lime?

**Dr. Van Volkenburgh:** Yes.

**Mr. G. I. Miller:** What is the record of the Hydro generating stations for the past year? Do you have an up-to-date report on the production of acid rain?

**Hon. Mr. Brandt:** Hydro was on target with the control order for 1983 even with the series of problems that have occurred recently with the nuclear facility. Recognizing that the nuclear facility is taking up some of the power output from the coal-fired plants, Hydro is in compliance with the requirements of our ministry. I can look up the exact figures for you, but I know I asked for this number when the problem arose in the media reports.

**Mr. G. I. Miller:** Do you have a comparison figure there?

**Hon. Mr. Brandt:** Yes, you were not in the room. The 1983 figure is 500,000 tons anticipated to be emitted by Hydro and the control order calls for a reduction to 300,000 tons maximum. That is specifically a 43 per cent cut—I know that works out to 40 per cent but I am giving you rounded numbers for the tonnage. By 1990 Hydro has to be down to 300,000 tons, so it will remove 200,000 tons.

**Mr. G. I. Miller:** I think they have been doing some specialized work at Nanticoke, if I am not mistaken, and I just wonder how effective that has been over the past year compared with the previous year. Do you have figures to verify that?

**Hon. Mr. Brandt:** For the first six months of this year, they were 38,000 tons below the requirements in the control order. However, part of that 38,000 tons was lost due to a shift back to the sulphur coal plants as a result of some of the nuclear facilities being out of service. They had a 38,000-ton cushion for the first six months; they are losing part of that 38,000 tons in the last six months. Our projections are that by year-end 1983 they will be on target. Does that answer your question?

9:10 p.m.

**Mr. G. I. Miller:** Yes. I was just wondering what the tonnage was compared—you do not have a figure on how many tons they produced, say, in 1982?

**Hon. Mr. Brandt:** Just in Nanticoke? Dr. Van Volkenburgh can give you the Nanticoke figure.

**Dr. Van Volkenburgh:** In 1982 the total metric tonnage of sulphur dioxide from all the Ontario Hydro plants was about 450,000. Of that, about 207,000 came from Nanticoke. If you want to compare that to 1981, the emissions from the Nanticoke plant alone were about 180,000 tons; in 1980 they were 144,000 tons. This year it will probably be a bit higher because they tend to run Nanticoke to replace lost nuclear power. Nanticoke is the cheapest plant of the three big plants in southern Ontario.

**Mr. G. I. Miller:** The other thing is that the Nanticoke area is quickly becoming an area for fairly heavy industry. Is monitoring being done in the community on a regular basis?

**Mr. Elston:** May I just break in here for a minute? I understood last day that the minister said a changeover to western Canadian coal would not make a noticeable impact since Hydro was really burning only low-sulphur coal from the United States now. Is that what you said?

**Hon. Mr. Brandt:** I did not say it would not make a noticeable impact, but they are buying extremely low-sulphur coal from the US now. In fact, they are buying a much lower sulphur coal than most of the American utilities are burning themselves.

**Mr. Elston:** And is this a higher sulphur coal than what they could get in western Canada?

**Hon. Mr. Brandt:** Maybe rather than looking it up myself, Gregg, could you give the answer to the question in regard to the percentages of sulphur in the coal we are purchasing?

**Dr. Van Volkenburgh:** The western Canadian coal tends to be between two tenths and, say, half a per cent of sulphur. The coal they are buying from the United States tends to be between one and a half to two per cent.

In fact, it is very interesting that one of the low-sulphur coal mines in the United States was reopened specifically at the request of Hydro. No one else was buying such low-sulphur coal, but Hydro wanted to buy it so they reopened it.

Hydro's policy is to lower the sulphur content of all its coal by cancelling contracts for the higher sulphur and then going into new contracts for the lower sulphur. Its system coal in 1979 or 1980 was about two per cent; by 1990 the system average will in the order of one to 1.2 per cent. That includes both western Canadian and the United States.

**The Vice-Chairman:** Where is that mine they reopened?

**Dr. Van Volkenburgh:** It is either in West Virginia or Pennsylvania, as I remember.

**The Vice-Chairman:** What are the shipping cost differentials between bringing in the western Canadian coal and the eastern American?

**Hon. Mr. Brandt:** Try considerable.

**Dr. Van Volkenburgh:** Yes, that is a very succinct answer. We will have to get you the figures. The coal from western Canada has to come by unit train, to be economical, and then by boat through Thunder Bay. You have to buy enough western Canadian coal to end up dedicating the cost of unit trains and then you have to get the boats contracted.

It is a lot easier for Hydro to bring coal across from the United States because they bring it up to the south shore of the Great Lakes and then they actually wash the coal on the US side to take out about 20 per cent of the sulphur. Also, it takes out a lot of the rock. Then they ship the clean coal across the lake.

**The Vice-Chairman:** When you say "wash," what does that really mean? It must be more complex than that, or do they just simply put it through water and wash it, as it would imply?

**Dr. Van Volkenburgh:** It is not awfully sophisticated. It is pretty much as you suggest. The idea of washing is to take out a lot of the pyritic sulphur, which is really rock. They break the coal down into lumps. They spray it and a lot of the rock drops through. The coal tends to stay on top and they sort of float it away. They can take out 10 to 20 per cent of the sulphur in this way.

The United States does not really wash much of its coal. Ontario Hydro tends to wash all of it.

**The Vice-Chairman:** As a supplementary on the last part of that, my recollection is that when Ontario Hydro tried to maintain a significant part of its coal purchasing content in Canada, it negotiated a very favourable long-term contact with Alberta to try to offset some of that shipping cost. Do you recall any of the specifics of that to indicate to what extent we were able to try to match the American cost?

**Dr. Van Volkenburgh:** I would have to get you the specific tonnage per year that is coming from Alberta. I know it is in the order of a 10- to 20-year contract and I am pretty sure it is between four million and eight million tons of coal.

**Hon. Mr. Brandt:** It represents 20 per cent of the total purchases, I believe; 80 per cent comes from the US.

**Dr. Van Volkenburgh:** Yes. That was a couple of years ago, and then by 1990 the percentage will have shifted because they are getting the same amount of coal from Alberta. But the amount of US coal is dropping steadily because the Alberta contract is a long-term contract.

**Hon. Mr. Brandt:** The other reality is that there is a real question as to the availability of sufficient trackage from the west considering all of the other shipments that are on the track now. The movement of grain is an example. Logistically, for this kind of a shift to western coal to take place overnight would be almost impossible. If you check into that from the standpoint of the ability for us to have sufficient cars and, second, sufficient time on the tracks that are available at this time—

**Mr. Charlton:** Just cut out Via Rail. They do not give them very favourable track time at the best of times.

**Mr. Elston:** Perhaps if I could extrapolate along a parallel situation, you did purchase a portion of a company to get a window on the oil industry. Perhaps you could buy an across-Canada rail company which would allow you to buy enough cars and ship your own coal. Then you could make as many tracks west as you wanted, if you cared to.

**Hon. Mr. Brandt:** If that kind of an expenditure is ever entered into by the Ontario government, I want you to know that I am pleased you are on the record as having favoured that.

**Mr. Elston:** I am just making a suggestion that you consider it. I know you have considered other things.

**Mr. Harris:** The Ontario Northland Railway has a bunch of trucks available and you could truck it in.

**Mr. Charlton:** Which line do you want to buy?

**Mr. Elston:** That is another question. I am sure the minister will look into that for us. But perhaps we could get on to a couple of points now other than acid rain, if that is possible, Mr. Chairman, if everybody is finished questioning.

**The Vice-Chairman:** Is everybody satisfied on acid rain? That really relates to item 2, air

resources, in vote 2102, environmental planning program. I suppose we can move that later, along with all the other votes.

**Mr. Elston:** We are going to move everything at the end, Mr. Chairman.

**The Vice-Chairman:** So we are finished with acid rain.

**Hon. Mr. Brandt:** Do you want to hear briefly about the computer screening model, or do you want to leave it? It is entirely up to the critics. I had intended to have André Castel from our staff do a quick presentation on it. If you want five or 10 minutes now, we can do that. If you wish to defer it, that is entirely up to you.

**The Vice-Chairman:** It might be worth while. How long will it take? Just over five minutes?

**Hon. Mr. Brandt:** You are not going to do justice to it in five minutes, I can tell you that right now.

**Mr. Elston:** If we are going to be receiving some extra information on acid rain later on, in line with what we are doing, if Mr. Castel does not mind, that might be a better time to do it when we can give it justice.

**Hon. Mr. Brandt:** All right. I have agreed to briefings with the critics about the beaches and I feel much the same way about the acid rain question, with specific emphasis on the screening model because you should really see it with the slides, the total presentation. There is a wealth of numbers and documents you are going to have to become familiar with that I think you might find of some interest.

**Mr. Harris:** Let us save something for next year's estimates. We can only absorb so much in one year.

9:20 p.m.

**Hon. Mr. Brandt:** This ministry has such a series of initiatives we intend on taking that we will keep everybody well occupied, I can assure you.

**Mr. McLean:** And informed?

**Hon. Mr. Brandt:** And informed. Good question.

**Mr. Charlton:** I believe we will all end up in padded rooms.

**The Vice-Chairman:** I believe we have had a wide-ranging discussion under vote 2101, under ministry administration program. Do you want to go on now to specific items?

**Mr. Charlton:** There is one item I want to go back to just for a second. This relates to the Spanish River spill.

At one point we had discussed this fairly thoroughly. However, after our meeting—I guess it was last week, maybe Tuesday evening—I had raised a question of why you were proceeding under the federal legislation rather than under your own legislation. We missed discussing this at the opening last day. Perhaps you could just briefly fill us in on why one and not the other.

**The Vice-Chairman:** I think Mr. McLean would be interested in hearing this too.

On item 3, water resources:

**Hon. Mr. Brandt:** I am going to ask the legal staff to give you the legal interpretation of why we used federal legislation rather than provincial.

**Mr. Elston:** In this case the messenger does not quite have the message down pat, I take it.

**Hon. Mr. Brandt:** No. The messenger can give you the message. He is not always the messenger; in some instances he made the decision as to which way we should go.

**Mr. Elston:** Which message did he deliver?

**Hon. Mr. Brandt:** Under good advice from the staff, I might add. Any minister who indicates he does not take advice from his staff is a minister who can sometimes have some complications. I want you to know I have nothing but the greatest of respect for our legal department and the other departments as well.

I will ask them to respond to your question.

**The Vice-Chairman:** What the minister really is saying is that he is pleading the fifth amendment.

**Mr. Mulvaney:** I am Neil Mulvaney, director of legal services.

Overall, it is our general preference to use Ontario legislation in most of our prosecutions because if we use the various federal acts too often, I see it as possibly undermining the constitutional position of our own statutes. Our own statutes are quite adequate for most of the situations we are going to have to face.

Over the past few years on a few occasions—you can count them on the fingers of one hand—we have looked to the federal Fisheries Act and in each case we had a reason. The first case was the American Can prosecution in Marathon five or six years ago. There we were dealing with discharges of mercury. We had a federal act which specifically regulated those discharges numerically. We had a concern that if we went with the provincial statute, we might be faced with a constitutional challenge. We chose to lay our charges under the Fisheries Act in that case.

The second case where we considered the

Fisheries Act was for the charges against Eldorado Nuclear in Port Hope a couple of years ago. We did that because we were dealing with a federal crown corporation and we were not sure whether our statutes would be held to apply to that facility. In the end, after we appeared before three or four levels of courts, a large number of judges held that indeed the provincial statute did not apply to a federal crown corporation.

We did not go with the Fisheries Act in that case because we were not able to adduce sufficient evidence as to damage to fish in relation to the particular discharge.

The third case, as you know, was the recent Spanish River spill. Overall, our rationale there was that the factual circumstances of the case, dealing with a major fish kill, made it particularly appropriate that we go with a federal statute.

Basically, it is our thinking that whenever we can we should use Ontario statutes. We think they are satisfactory. We do not think occasional use of federal statutes reflects on the value of our own, but in specific, infrequent cases it makes sense for us to use the federal statute. In the final circumstance, the main factor that weighed on us was the factual basis of the damage done to the fish.

**Mr. Charlton:** If I am interpreting what you just said correctly, you are making your decisions based primarily on the available evidence.

**Mr. Mulvaney:** Yes. That is it.

**Mr. Charlton:** In other words, if you had good evidence on the Spanish River spill under one of your provincial statutes, you would have gone that route.

**Mr. Mulvaney:** The evidence in relation to the damage caused by the spill fitted the Fisheries Act better than the other statutes.

**The Vice-Chairman:** Are there any further questions or comments? All right, the next item.

**Hon. Mr. Brandt:** The next item dealt with the Niagara River area. Concerns have been raised about the way in which the large number of waste sites on the American side of the Niagara River are being dealt with by the Ministry of the Environment.

Following the Love Canal episode in 1978, the New York state interagency task force reported on 200 sites in Erie and Niagara counties. In April 1983, the Environmental Protection Agency issued its overview of environmental pollution in the Niagara Frontier and an associated agenda which outlines work plans co-ordinating federal

and state activities on the American side of the border.

Four updates have been issued detailing specific work plans. Ministry staff from Ontario have met regularly with the EPA and the New York Department of Environmental Conservation to discuss progress in controlling the problems.

In mid-1978, we established a monitoring program for organics in the Niagara River. This has not so far detected a threat to municipal water supplies. The Niagara River improvement project, which I believe the members are familiar with, was set up by the ministry in 1981 to monitor all activities on the US side of the Niagara River very closely and to review any US cleanup proposals and permit applications.

The priority landfill sites near the Niagara River identified by the interagency task force are being dealt with by EPA and DEC using a variety of approaches such as voluntary action, court action and the Superfund.

The high-profile priority sites are the Hooker sites. Hooker, New York state and the US federal government began litigation to negotiate corrective actions. Information was not generally available until after the negotiations had been concluded. We shall continue to press for information and to provide input during the negotiation stage.

A memorandum of understanding between New York state and Ontario, to be signed shortly, will facilitate access to such information. The memorandum will allow information on all transboundary pollution issues to flow freely between our two jurisdictions.

We shall continue to meet with EPA and the DEC to monitor the water quality of the river at Niagara-on-the-Lake and to conduct special studies of the river water, bottom fauna and sediments, in co-operation with Environment Canada. This work will be co-ordinated with similar activities by American agencies through the Niagara River toxics committee.

Cleanup of the S area site, a closed chemical landfill site in Niagara Falls, New York, is subject to US federal litigation. In June 1983 Ontario filed application for intervenor status in the New York district court proceedings on the site. In this connection we are still awaiting the judge's ruling on our application.

I have been asked why we do not co-operate with Pollution Probe, since Pollution Probe has suggested in the past that the Ministry of the Environment should withhold an application for intervenor status and allow Probe to proceed

alone. My reason for proceeding with an application for intervention is based on my belief and that of my ministry staff that the government of Ontario should uphold the interests of its residents in such matters.

It is not intended as an affront in any way, shape or form to Pollution Probe, with whom we enjoy a very co-operative and healthy relationship.

I will stop at that point unless there are more questions with respect to the Niagara River area.

**9:30 p.m.**

**Mr. Charlton:** I have a couple of questions. Has the judge dealt with any of the applications for standing yet?

**Hon. Mr. Brandt:** The judge has ruled that there will not be a public hearing. We have appealed that ruling and are proceeding on the basis of an appeal at this point. This has happened within the past couple of days.

**Mr. Charlton:** So, basically, that is denying everybody status.

**Hon. Mr. Brandt:** That is right; at this time. We are taking the position that we have to have an opportunity, particularly with respect to our request for and interest in, as you are probably aware, a continuing monitoring program, which we feel is essential in that connection. We feel we have to continue to press our point in that respect.

Would you like to go ahead, sir?

**Mr. Crabtree:** I am Peter Crabtree, Niagara River improvement project co-ordinator. In the case of the SCA site, that is a matter for New York state regulations. We are dealing there not under a legal system but under a system that is very similar to our own Environmental Assessment Board. As the minister mentioned, we had sought a public hearing on that issue because we have some concerns about the extent of monitoring that is being proposed by the company to detect any leakage that may occur from the site itself.

**Mr. Charlton:** Are you talking about the lagoons on the site?

**Mr. Crabtree:** No. I am talking about the recent application for an expanded waste disposal site, a landfill operation—a model city. There are both lagoons and landfill sites on that property.

The recent application relates to the landfill site, and that was the hearing the minister was referring to that we attended at the beginning of August. That is the one that the administrative

law judge has ruled should not be the subject of a public hearing. That ruling came down last Friday and, as the minister mentioned, the decision has been made to appeal that ruling to the commissioner of the Department of Environmental Conservation.

**Mr. Charlton:** Okay. What is the situation on the S area location?

**Mr. Crabtree:** That is a different situation. The case there is before the federal courts. It was taken to the federal courts by the Environmental Protection Agency; so we are at a federal level as compared to the state level. In that case, we did apply for intervener status on June 9, 1983. The next stage in that process was for the other parties to indicate whether they were willing for us to become a party. Those responses were received by the court in writing. We then had the chance to reply apply for intervener status on June 9, 1983. The next stage in that process was for the other parties to indicate whether they were willing for us to become a party. Those responses were received by the court in writing. We then had the chance to reply to those responses, and that was done in writing.

The next stage was an oral hearing, which took place approximately 10 days ago. At that time we, the environmental groups that are also applying for intervener status and the current parties to the litigation, made our cases before the judge, Judge Curtin. He indicated at that time that he would be making a decision upon the applications for intervener status as soon as possible.

**Mr. Charlton:** None of those decisions has been made yet?

**Mr. Crabtree:** They have not been made, no.

**Mr. Elston:** Judge Curtin will probably be making as quick a decision as he did on the earlier court matters, I presume.

**Mr. Crabtree:** I cannot comment.

**Mr. Elston:** Have you been able to develop any kind of rapport with the technical people that Pollution Probe has engaged for its case? Have you been able to compare your material at all?

**Mr. Crabtree:** Are you referring to S area?

**Mr. Elston:** Yes.

**Mr. Crabtree:** We have had discussions with Pollution Probe on both the S area application and on the SCA application, which they are also involved in. We do have a good rapport with them, yes.

**Mr. Elston:** Are you sure, if you are both granted intervener status, that you can both go to these hearings in such a way as not to jeopardize each other's position?

**Mr. Crabtree:** I believe so.

**Mr. Elston:** There is no difficulty from that angle now?

**Mr. Crabtree:** No.

**Mr. Elston:** Not from your side.

**Mr. Charlton:** My understanding of the issue is that there were some concerns a year ago and that those concerns have largely been resolved.

**Mr. Crabtree:** That is so; you are right. That position has changed in the past year.

**Mr. Charlton:** Your position has changed?

**Mr. Crabtree:** No. The position between the province and Pollution Probe has changed.

**Hon. Mr. Brandt:** I have met Colin Isaacs of Pollution Probe in regard to this matter, and I think it is fair to say that we now have an open exchange of information in regard to the data base both of us have access to; that has been very helpful to both parties.

I believe that what you are alluding to, Mr. Charlton, is that we did not have that exchange of information earlier. I do not want to speak on behalf of Pollution Probe, but I believe they are satisfied there is a co-operative effort both ways; I am satisfied with what they have provided to us and they have indicated the same to me.

**Mr. Charlton:** While we are talking about that, and this is no reflection on the present minister, I might mention that a number of the initial problems that existed between Pollution Probe and the ministry on the S area—I am not sure there were ever any problems on the SCA application—seemed to me to have evolved in the initial stages from a little bit of stubbornness on both sides.

Last spring I did a fair amount of running between Mr. Norton and Mr. Isaacs, which resulted in an exchange of letters and some meetings and so on. It seemed to me, from talking to both sides, that there was a little bit of stubbornness happening there on both sides. I have no indication at all about the stubbornness on the part of ministry staff, but the minister certainly displayed a little. We finally got over that, but in my opinion it was a situation that never should have evolved.

**Hon. Mr. Brandt:** I think it has improved considerably.

If there is nothing further on that, I will go on

to the water and sewer servicing program. Several questions were asked about this part of the ministry's activities. One of those questions asked for details of the York-Durham sewage system and whether the size of the system is justified by the population growth in the service area.

The York-Durham sewage system consists of two elements: the collector and trunk system, to which all areas except Aurora and Newmarket have been connected; and the Duffin Creek pollution control centre, located on the lake at Pickering, the first stage of which is in operation.

The ultimate design capacity of the system was based on a population of 457,000 and 8,406 acres of industrial lands in the serviced area of York region; and a population of 424,000 and 9,134 of industrial lands in Durham region. The sewers have been designed and built to accept the flows generated by the total population and the 17,540 acres of industrial development that are contained within that area as well.

This particular project, in this way of proceeding, was considered to be more cost-effective than twinning certain sewers at a later date.

The structures for the pumping station have been built to accommodate ultimate flows. Pumps will be added in the future as the demands and the flows increase.

The Duffin Creek plant can accommodate an ultimate capacity of 160 million gallons per day. The first stage is a capacity of 40 million gallons per day, and the present flow is averaging 22 million gallons per day. In mid-1984, when Aurora and Newmarket are connected, the average flow will be about 29 million gallons per day. On individual days, the flow has been as high as 33.6 million gallons per day. The plant will simply be extended in stages to match the increased flows in the years to come. The first extension is expected to be required in 1989.

When Aurora and Newmarket are connected to the system in 1984, there will be a reduction of approximately six tons of phosphorous loading in Lake Simcoe, which will help meet the government's objectives for maintaining water quality in this very important recreational body of water.

Does that answer your questions in regard to capacity? It is just a little over 50 per cent of the capacity now—22 million of the 40-million capacity; and it can be staged up, as I indicated by about four times that size as demand requires.

9:40 p.m.

Drinking water research was another question raised. It has been suggested that the cost

on the ministry's research project to investigate trace organic contaminant removal from drinking water might be saved by referring to the US experience. In our view, the US experience is useful, but it is not sufficient to meet the high standards of protection and cost-effectiveness that we aim for here.

Research reported from other countries does not adequately address the question of the removal of micropollutants through existing processes. Laboratory work shows that a high level of removal of some compounds can be achieved through a more effective use of existing water treatment processes. Analytical methods need to be developed for a wide range of compounds so that further testing can proceed under plant operating conditions.

Results of activated carbon treatment reported elsewhere have not addressed the removal of specific compounds. Activated carbon does not absorb all organic compounds, and the efficiency of carbon for the removal of specific compounds varies according to the concentration and variety of compounds present in the water.

With regard to the question on the cost of activated carbon treatment, the most recent information is from Cincinnati, Ohio, and is based on pilot-plant-scale tests in 1981. The committee, made up of members from Metro Toronto and from the Ministry of the Environment, estimates the cost of treating all Metro water, based on the Cincinnati data, would be \$40 million per year, plus an additional \$4 million if ozonation were included.

I would like to have the opportunity for my staff to discuss this further with you if you require additional information. You are aware of the pilot project with the carbon filtration process, costing some \$1 million in total, which is essentially under way in the city of Niagara Falls at this time. But if you want any further details, I could have Ken Roberts of our staff address those. If not, we can go on to other items.

**Mr. Elston:** I do have a couple of questions.

**Mr. Charlton:** I have a couple of brief ones as well.

**Mr. Elston:** After you have the pilot project, and if you find the system is appropriate, how long will it take to install that to a working size—in Niagara, for instance?

**Hon. Mr. Brandt:** I think I had better have the technical staff answer that question. One of the areas of concern I have discussed with staff to

date is the problem of what to do with the removal of the contaminants after the water goes through the carbon filtration process. That is another question that has to be addressed.

Dr. Roberts may be able to give you an idea of the construction time frames and those kinds of things if we decide to proceed with a full-scale working plant.

**Dr. Roberts:** It is somewhat difficult to give the exact time frame. If everything goes well, it could be about one year. There is the construction of all the changes you need to put in: carbon columns and most of the construction piping. It could possibly take up to two years if everything does not go so well. It would depend very much on the configurations the consultant would decide to put into the plant.

**Mr. Elston:** And the cost?

**Dr. Roberts:** I think we have just covered the cost. I do not have the exact figure—

**Hon. Mr. Brandt:** It is about \$40 million and \$4 million a year for the whole of Metro. That is simply taking the Cincinnati experience and setting that against the Metro population and area.

**Mr. Charlton:** The cost could be quite different, though, in terms of what you might eventually come to with your own experimentation.

**Hon. Mr. Brandt:** Our model experimentation could provide us with more technical information that would allow us to refine that. However, the most recent full-scale plant was in 1981, which is relatively up to date, and you could add some inflationary figures perhaps. You would be in that range, based on current technology and our current knowledge. That is giving you the most accurate figure we can come up with.

**Mr. Charlton:** Is the \$4 million you are throwing in for the ozonation a net figure? Does it take account of whatever you would save on the chlorination process?

**Hon. Mr. Brandt:** I do not think the chlorination process would be discontinued. As I understand it, this is an addendum to it, an add-on to it. It is a net figure then.

**Dr. Roberts:** Chlorination will be reduced; and the overall change will cost about \$4 million as an add-on figure.

**Mr. Charlton:** I have a couple of questions that arise out of that then.

**Hon. Mr. Brandt:** I might add, just by way of information, that Metro is talking about increas-

ing chlorination to attempt to reduce the fecal coliform problem in—

**Mr. Charlton:** That is in the sewage treatment plants.

**Hon. Mr. Brandt:** Yes, that is right.

**Mr. Charlton:** As to the ozonation work you are doing along with the carbon filtration, presumably that is being done in conjunction?

**Dr. Roberts:** No, there is no ozonation work planned for that Niagara Falls pilot plant. The ozonation study we have just completed would give us the figures we are quoting just now, but the pilot plant is to look at optimization of what we call conventional treatment, and with carbon in the add-on mode.

**Mr. Charlton:** From some of the studies we have seen, is it not correct that the chlorination process provides some problems for the carbon filtration system?

**Dr. Roberts:** Not so much problems, but I think it can produce chlorinated organics that are not that easily removed. That is one aspect.

**Mr. Charlton:** I believe there is also the question of overworking the carbon in taking out the chlorine.

**Dr. Roberts:** It would take out the chlorine, but that does not necessarily overwork the carbon. They are two different things. The carbon can last for a long time taking the chlorine out, but it does undoubtedly take it out.

**Mr. Charlton:** Is any work going to be done on looking at a system which uses carbon filtration and ozonation without chlorination?

**Dr. Roberts:** No ozonation, but there will be conventional treatment with this carbon in the add-on mode; and we could look at alternative chlorination modes. We do not have to prechlorinate before the carbon.

**Mr. Charlton:** What you are looking at is chlorinating after carbon.

**Dr. Roberts:** Yes, different modes; we may chlorinate before also. That is included.

**Mr. Elston:** Perhaps you can answer the question that was posed by the minister as well as to the difficulty of dealing with the material after it has been removed. That was one he raised.

**Dr. Roberts:** That is not included in the project, but there is ongoing work in Cincinnati and in New Orleans where they are getting data on the carbon regeneration and the air emission studies. I think that kind of study is ongoing. We do not intend to duplicate that.

**Mr. Elston:** We will accept the material they generate in the United States.

**Dr. Roberts:** It will be a start to look at what kind of material they get off. Then we can also go into that if necessary, following on this.

**Mr. Elston:** Does that extend the time of the pilot project then?

**Dr. Roberts:** Yes, I think it would undoubtedly. The amount of carbon we are producing is slightly different to what the Cincinnati study did. For example, we are dealing with smaller carbon columns.

**Mr. Elston:** You are really looking at the pilot project itself lasting three years and then probably an additional time period to deal with accompanying problems—

**Dr. Roberts:** Carbon regeneration problems

**Mr. Elston:** —before you consider putting the process in place.

**Dr. Roberts:** No. I think the techniques for dealing with carbon regeneration will be developed and are being developed right now. I think that will be available. It is the techniques of using the carbon and our conventional optimization that I think are so specific to Ontario.

**Mr. Elston:** Are you satisfied or do you have a feeling before the results of this pilot project are known that you will probably be in a position to install this technology in Ontario?

**Dr. Roberts:** The pilot project is set up in a phased way. Because we have such low levels of contaminants in the raw water, we have to look at removals, which means we have to analyse maybe tenfold or a hundredfold down from that. That is a first phase. If the analytical scheme of that phase does not go well, I think we have real difficulties. It is meant to phase out after that if we cannot get the kind of analytical removal we need.

9:50 p.m.

**Mr. Elston:** What sort of analytical material is generated in the United States that may be of assistance to you on that?

**Dr. Roberts:** Our product is very different from the one in the United States. They have become sort of generalized. They look at fingerprints of the raw untreated water, and that means the gas chromatographic prints.

In our situation we intend to look at specific target compounds in a broad range of chemical classes and at the kind of removals we might expect from these specific classes. It is a different situation from the kind of work they are doing, but I think they will have specific con-

pounds within their fingerprints that we can gain data from.

**Hon. Mr. Brandt:** Is there anything further on that section?

**Mr. Charlton:** While we are on the topic, this is not an important question or one you have to answer this evening, but you mentioned in your statement when you were dealing with this part that there was an international panel of experts you were getting advice from. I am curious to know who they are and what their backgrounds are.

**Hon. Mr. Brandt:** Do we have a list of the names of those people? I have met them.

**Mr. Charlton:** I do not need it now, if you can get back to me.

**Hon. Mr. Brandt:** If you are happy with having me provide you with a list of their names, they are from other countries. They are international experts in the sense that they come from outside.

**Dr. Roberts:** I can answer that. I can remember the people. There is a Dr. Vernon Snoeyink of the University of Illinois. He has had a lot to do with various projects in the Environmental Protection Agency and in his own university background a lot to do with carbon. There are two gentlemen from the United States EPA in Cincinnati, Dr. Tom Love and Dr. Ben Lykins, who have been project leaders on many of the activated carbon projects in the States and on the conventional part of that work too. They have, I imagine, 10 years' experience in trace contaminant removal, not necessarily in carbon but trace contaminant removals.

**Hon. Mr. Brandt:** I want to deal briefly with the question raised on Great Lakes policy and, more particularly, the concerns that have been recently raised in the media that we are all aware of with regard to year-round navigation.

On behalf of Ontario, the Minister of Natural Resources (Mr. Pope) made a presentation to the Toronto meeting of the International Joint Commission on June 15, 1983. While the presentation contained input from my ministry, the Ministry of Transportation and Communications and Ontario Hydro, I think the Minister of Natural Resources is the minister to whom questions on this issue should properly be addressed although, of course, I share his concerns. I have a copy of his presentation to the IJC if any member would care to see it.

Opposition has been expressed by myself, and by others as well, to the proposed extension of the Great Lakes winter navigation season on

which hearings will be held in the United States. A recent US House committee amendment to an omnibus water resources authorization bill would, in effect, call upon the United States Army Corps of Engineers to proceed with the project to extend the navigation season on the Great Lakes and the St. Lawrence Seaway.

Canadians justifiably fear that the US approach in this case is similar to that taken in connection with the Garrison diversion affecting Manitoba. The Garrison project has been denounced by the IJC, yet Congress is gradually allowing it to proceed. I can assure you, having spoken to my colleagues from the west recently on this issue, it is an extremely sensitive issue in their minds. The manner in which it is going ahead is causing a great deal of friction between the two jurisdictions.

The Corps of Engineers recognizes that a formal agreement with Canada would be required. The government of Canada has formally expressed its concern to the US about potential transboundary environmental impacts if the US initiates any project without an appropriate environmental impact assessment.

Several Canadian studies have examined the problem of the capacity of the Seaway system and have concluded that such a project would not be economically viable and that several major questions remain unresolved, including the environmental impacts of such a proposal.

Canada's position, which was taken in March 1979, called for a full environmental and economic assessment of the proposed project. Some of the major environmental impacts of concern include cases where potential chemical spills would occur under the ice, increased scouring of bottom sediments, increased downstream sedimentation, disruption of major fish-spawning areas and increased maintenance dredging and disposal of contaminated sediments.

The Ministry of the Environment is working with the Ministry of Transportation and Communications and is watching this situation closely. The government of Canada recently consulted the provincial ministers of the environment and ministers of transportation, and the two levels of government have prepared a position for use by the Canadian embassy in Washington. The embassy has sent a formal note to the state department and it has been passed on to Congress.

In summary, I share the concerns raised by the committee members and I have expressed those concerns as well, as most of you know. I am also writing to the administrator of the

United States Environmental Protection Agency, Mr. Ruckelshaus, with whom I will also be meeting, to emphasize my concern not only on this issue, but on the issue we discussed at some length earlier, the acid rain issue. In addition, I have notified the federal environmental minister, the Honourable Charles Caccia, of both my concern and of my communication to Mr. Ruckelshaus.

Mr. Chairman, I will stop at that point before going on to another subject.

**Mr. Charlton:** If I could perhaps raise one point on that issue, I appreciate the comments the minister has made, but in addition to the concerns I think we all have about the proposals themselves, one of the things that really concerns me, should the US decide to proceed, and should the section of the bill pass, is their whole approach to environmental assessment of potential impacts.

They are talking at present about doing assessments at the end of each stage of the development, which from our perspective is totally ludicrous. In addition to whatever ongoing positions we take in terms of opposition to the whole proposal, I think we have to take a very strong and adamant position that, before anything starts, the full environmental impact studies have to be done.

**Hon. Mr. Brandt:** I could not agree more with your comments. Quite frankly, when I looked into the proposal in some detail and received as much information as was available to me at that time, I reread the intent of the US Army Corps of Engineers with respect to the development stages of this thing and I made a point of confirming in my own mind that they intended to proceed in the fashion you have just described. That frankly amazed me because there are areas of environmental impact that are irreparable once they take place. It is not a question of simply rolling back the hands of time or rewinding the clock in some way to bring about a change in a condition, once the impact has actually taken place.

What concerns me is that they are talking about some kind of a repair mechanism that would be allowed to take place if there was a negative environmental impact. If they disrupt fish-spawning areas, as an example, or if they have other things of that type taking place, I am not too sure they can simply correct them.

**Mr. Charlton:** They are certainly not going to fix up a fish-spawning area where they have

dredged contaminated silt and dumped it into such an area to get rid of it.

There is just one thing I would like to add. Perhaps it is something that whoever in the ministry is working on this issue can follow up. There has been a considerable amount of backpedalling done in the last few weeks since the press conference I was involved in and the statement you made on the 3rd and the tabling in Washington of the diplomatic note. The press, as a result of the press I got and you got was in touch with Stangeland, the sponsor of the bill, and he and his staff did one hell of a lot of backpedalling on the issue when they talked to the Canadian press. Perhaps it is something we could do some follow-up on in terms of the specific lines they are now using, which have changed dramatically since a month ago.

**Hon. Mr. Brandt:** Thankfully, there has also been very strong negative reaction from some of the Great Lake states. I think it is fair to say there is certainly no degree of unanimity on the American side with respect to this question. Quite separate and apart from anything we have said, they are raising essentially the same issue. They are concerned about the very same problem areas that we see could potentially arise.

10 p.m.

**Mr. Charlton:** That is all very true, but the problem is simply that the bill is so huge and contains so many projects which affect the Great Lakes states. You know yourself how the American system works: some people from some of the American Great Lakes states who are currently speaking out in opposition to winter navigation may be forced to back off a little or back off totally in order to get some support for the proposals in their own states. The danger always exists, so it is imperative that we stay especially vigilant on the whole thing.

**Hon. Mr. Brandt:** I intend to do just that and welcome the question being raised in committee for that reason. It is a vital, critical and important matter for us and one that we do have to stay on top of.

**Mr. McGuigan:** I am glad to hear the minister mention the effects upon fishing. Commercial and sport fishing are important to me in riding and, of course, all along Lake Erie.

I want to bring up another subject, though and I hope that I am not out of order. Have I finished that? I just want a minute or two.

**The Acting Chairman (Mr. Lane):** Sure.

**Mr. McGuigan:** It involves the pricing of water from Ontario's water resources for us

irrigation. Just to give you a bit of background, I live on the Blenheim-Cedar Springs gravel ridge which is in a horticultural area. Since last year a control order has been placed on us selling that for gravel. There are many good points about that, too, to preserve that land for horticultural use.

One of the ingredients is the system of irrigation. In the past we have been using water from the pond, which we put through high pressure pumps and spray into the air. It takes about 30,000 gallons to put on inch of water per acre. In a normal season we can use about an extra four inches of rain, so it is a lot of water. It is a very wasteful and costly way, especially with respect to the matter of power for the high pressure pumps.

The Israelis invented a system to deal with the shortage of water in the desert. That system makes the most efficient use of the little bit of water they have. Rather than spraying it into the air, where 20 or 30 per cent of it evaporates and much of it falls on ground that is not leading directly to the roots of trees or plants, their system has plastic pipes and a plastic system which uses emitters as the discharge under very low pressure.

Then they use what they call spaghetti tubes, which really look just like strings of spaghetti, to get the fine discharge. They put on each plant or tree the exact amount of water required for that period. What it means, actually, for water demand, is a small amount of water over a long period of time, which works out well, rather than using a large amount of water over a short period of time.

The drawback to the whole situation is the low pressures. You want low pressures to get away from spraying the water into the atmosphere, and where small pipes are concerned you have to have very high quality water as far as debris and sediments are concerned. It doesn't matter so much about the drinking quality of the water, but it has to be filtered water or the emitters and spaghetti tubes and all the various things are all plugged up in short order.

Under the present pricing, which is around \$5 for 1,000 gallons, you can see the astronomical figures you would get into even if you were only saving 20 per cent of the amount of water that you would use under the spray system. I would like to see you investigate—

**Hon. Mr. Brandt:** Excuse me, I am not

familiar with that water system. Is that the price directly from our ministry?

**Mr. McGuigan:** That is the retail price.

**Hon. Mr. Brandt:** That is the retail price through the municipality.

**Mr. McGuigan:** Yes. As an example, I have a cold storage unit that uses water as coolant; it cools the compressor and the condenser. This summer my water supply required overhaul, so for one month I hooked on to the city water. It cost me \$2,000 for the month. I would not be surprised if to pump that water cost only \$5.

It seems that if you have an incentive pricing system, a fair pricing system to everybody, that would allow some nonhousehold uses of that water that would still pay for the production of it and help amortize the whole system. What I am asking is for the ministry to take a look at a price on that water for agricultural use. I suppose, as soon as you open that, some people are going to want it for cheaper livestock watering and so on. Frankly, I do not see how you would go that far. I think you would have to have it pretty well limited to irrigation purposes only and let other people make better arrangements.

**Hon. Mr. Brandt:** Quite frequently, you also run into a similar situation when you talk in terms of the volume of water and then the attendant cost for that when you are dealing with industry. When an industry uses a large amount, like a canning operation or chemical plants in my own riding—I do not have canning operation but I know they use large volumes of water—the industry does not in all instances require treated water, some can use raw water. There is always a discussion goes on as to whether or not it is in their best interests to purchase water that has been treated from either my ministry or through a municipal—

**Mr. McGuigan:** If I can just interrupt you, as far as there being a little bit of chlorine in it, that is no problem for irrigation purposes. That actually evaporates in the air and is pretty well gone, so that is not much of a problem.

**Hon. Mr. Brandt:** In the case you are talking about, there must be a very substantial transmission cost for the water or there are some other factors involved. I do not know if there is any staff member who may want to come forward to discuss this issue just briefly with you. The reason I say that is that \$5 a thousand gallons is, from the numbers I am aware of, a relatively high price. I do not know if that is the exact cost, but if it is it would seem to me there

must be some reasons why it is that costly. Dennis, could you speak to this issue at all?

**Mr. Caplice:** Yes, in a general way. We have not had any direct contact, I do not think, from Mr. McGuigan on this. We would be prepared to look at it. I think I understand what you are saying. When you get a low pressure the quantity of water drops considerably. You get equally good growth from that kind of an application based on the Israeli experience, and it is something you would want to look at.

Historically, we have not provided irrigation water off our systems. Our systems are basically in place and the costs are recovery-type costs. Even to industrial consumers like Stelco, Texaco and the Haldimand-Norfolk system, we are providing raw water, but we are charging them so many cents per thousand gallons on the basis we would recover the costs for the system. If we were to move into the irrigation thing you are discussing, it would certainly have to be on the kind of new technology you are talking about. It certainly could not go the other way with the high volume; it would just be out the question. We would have pipelines strung all over the place.

**Mr. McGuigan:** Even there, while we would like to have it on 24 hours a day, it still could be on restricted hours.

**Mr. Caplice:** Right. I think if you could provide some information to myself, we could have our staff in the regional areas take a look at this. Traditionally, I am sure you are aware, we have not even talked about irrigation from the kind of systems we have put in in Ontario for the provision—

**Mr. McGuigan:** All I want is your assurance you would look at it.

**Mr. Elston:** Mr. Chairman, while Mr. Caplice is here it might be an appropriate time just to ask him to explain a little bit to us about how you calculate recovery cost for water systems. I am not sure whether you are in the end of it dealing with that or not, but while we are close to that, maybe we can get—

**Mr. Caplice:** I am only an engineer and you are bringing up financial matters.

**Mr. Elston:** I know I raised that in my remarks last summer and I do not know if we are ever going to get to that stage.

10:10 p.m.

**Hon. Mr. Brandt:** That question and a number of others are going to be very difficult to get to. I am at the committee's disposal as to how it

wants to deal with some of them. I believe we have answers to all the questions you raised in your opening statements.

This is an important question because it deals with virtually every municipality in the province. From time to time we do have the odd appeal with respect to water rates. Questions are raised, and we would like you to have some idea of how the ministry goes about establishing those rates in the most fair, equitable and honest fashion possible.

**Mr. Harris:** Maybe we could use Sturgeon Falls as an example.

**Mr. Charlton:** The minister says he is at the committee's disposal. This has to be the first time the Minister of the Environment has ever allowed the committee to decide on a matter of disposal.

**Mr. Higham:** I am Geoff Higham, executive director of finance and administration. I am not sure I can live up to the minister's introduction. Perhaps we might say that in moving into a project costing X dollars we identify the amount of subsidy from the province the project is eligible for. In past years federal funding has also been available. We then look at amortizing the net capital cost over a period of 30 years. We anticipate operating costs. We forecast the flows that will result in the project over a 20-year time frame with the objective that the project will break even over 20 years.

We move now into the area of deficit financing, which I think confuses almost everyone. The prime concern is that in the early years when a municipality or community is growing it would be unfair to attempt to recoup all the costs attaching to the system since we over-build, if you will. We do not build a project to service the existing population; we anticipate the growth. So we recover less than it costs in the early years in anticipation that with growth and at those same rates there will be surpluses in the later years. At the end of 20 years the project will break even, in total capital recovery and the cost of operating a system.

The difficulty we have is in forecasting. If everyone could forecast accurately, I suppose we would all be millionaires. We would not be sitting here; we would be in the south of France or somewhere else.

**Mr. Elston:** Forecasting?

**Mr. Higham:** Forecasting flows, forecasting costs, forecasting interest rates. Our entire rate system is predicated upon that forecasting mechanism. If, for example, we start off a project and

anticipate that in order to recoup our costs we will need to charge \$1 per thousand gallons, that is predicated upon a certain flow.

If, after two or three years of operating the system, we then perceive that growth is not occurring at the rate we thought it would and, therefore, the flows are lower, to recover our cost—and that will always increase simply because of inflation—we have to increase the rate on the project. What was a dollar in the first year may become \$1.50 by the time we reach the third year. So we are looking at what appears to be a 50 per cent increase in the rates over a three-year period. If one looks at that as the percentage, it is very upsetting.

On the other hand, I submit the real test is what it costs the individual home owner. For example, if the flow in a community were to double, then we would halve the rate because we are not here to make a profit; we are simply recouping our costs. That would appear to be very good, but we are still taking the same amount of money out of the taxpayers' pocket in that community.

We are playing with numbers in a sense. What really matters is the amount of money the average home owner pays.

**Mr. Elston:** I guess a significant impact of the forecasting process in its degree of accuracy is that when you come down with the final cost figures and start implementing the recovery cost, it probably fouls the economic or financial planning for that municipality if it finds it has a significantly larger amount of money to put out as its share of payment of that cost.

I think the irritating part of it, from talking to a number of municipalities involved in these negotiations, is that they feel they do not really have that degree of control over the installation of the project for one reason or another. Once they are into it, they seem to lose contact after they make the initial applications to the Ontario Municipal Board. It is similar to the situation that was raised by Mr. Charlton with respect to Keswick.

Interjection.

**Mr. Elston:** That may be part of the problem, or part of the problem may be in the location of the municipality. If you happen to be on the Great Lakes and have pollution problems, I understand there is not nearly so much difficulty in finding federal funds as there is if you happen to be inland and not polluting or causing serious environmental problems.

Is there any way you can program your

recovery costs so that you do not harness those municipalities with almost insurmountable financing problems for the rest of their capital programs that you are looking for down the road? That is really the question.

**Mr. Higham:** I guess there are a couple of points here. One we can do something about and one we probably cannot.

The one we can do something about is communications. I think that is one element you are talking about here. There have been occasions in the past where there has been a communications breakdown between the ministry and the municipality involved.

**Mr. Elston:** But you have a new messenger now.

**Mr. Higham:** That is right. I said that was in the past, but there have been occasions of that. That is something we can and are doing something about.

**Mr. Chairman:** Mr. McLean had a supplementary.

**Mr. Higham:** May I finish responding to Mr. Elston?

**Mr. Chairman:** Sure.

**Mr. Higham:** The other point over which we have much less control is the question of capital cost. The other evening Mr. McIntyre was saying we invite tenders and bids and it is an open competition process. Our staff estimate and our consulting engineers estimate the likely cost of a project. We are, none the less, at the submission of those contractors tendering on our jobs at any time. Of course, with inflation some of the costs will be higher than originally anticipated.

**Mr. McLean:** Mr. Chairman, I have two or three questions. One, how many municipalities in the province have already had their systems put in and have not had the opportunity to negotiate a fee increase or have had the fee set when the system was put in?

The township of Mara in my riding was paying probably about \$34, then it went to \$63 and now it is maybe \$100. The township is some \$80,000 in debt to the municipality. It is now waiting for the Ministry of the Environment to readjust or to pay off that debt. The people have had cheap water, but why has it taken so long? There have been years and years during which the ministry has not negotiated with these municipalities—and I can think of about six—to have the rates where they should be for the

people in the community paying for what they have been using.

**Mr. Higham:** In the case of Mara, I do not think it is quite true to say we have not been negotiating. As a matter of fact, to my personal knowledge, for three years now we have had ongoing discussions with Mara.

Mara hired a consulting engineer to examine the operating cost of the system, the operating cost in the case of that community being a major point of contention.

**10:20 p.m.**

The consulting engineer Mara hired submitted a report to council. Our own staff reviewed that report. Discussions then took place among our staff, the consulting engineer and the community. Predictably, one is not going to achieve perfect agreement since clearly one party to the agreement is at one end of the scale and we, the ministry, are at the other end of the scale.

So we have a point to be resolved. That resolution occurs via an appeal to the Lieutenant Governor in Council. We are at the stage now where Mara will likely be coming before Management Board for discussion and resolution of the matter before it goes to cabinet within the next month. However, we have had ongoing discussions with the community, the council and their own consulting engineer for at least three years.

**Mr. McLean:** Yes, but why so many years? It keeps getting bigger every year. Who is going to pay off that debt when the time comes?

**Mr. Higham:** That is one of the elements to be decided in the report which will be before the Management Board in the next month.

**Hon. Mr. Brandt:** In part, if I could just respond to Mr. McLean's question, we do have some five-year agreements in place which will be changed after we get some amendments to Bill 52, which will put us on a one-year scheduling and which will keep the actual rate on a more accurate basis. It will reflect the current conditions. However, the five-year period sometimes, because of the uncertainty of the times in some respects, causes the figures to fluctuate fairly widely.

The other problem, I might add, is one on which I have to defend this ministry and perhaps reflect a little bit on the municipal participation in this whole process.

There is usually a time lag between the time the ministry initially negotiates the project with the municipality and it starts. Let us assume for purposes of discussion that it is at least two or

three years from the time our staff would first sit down with the municipality to discuss volumes of flow and populations to be served, service areas, size of the project and all of that. After they have gone through the entire process, they come out with a number. As those of you know who have sat on a municipal council for a number of years, there is really one number they are interested in, namely, how much per thousand. That is the bottom line.

Having sat on the other side of the table and having negotiated from the municipal standpoint, I have cautioned my staff to make sure we talk in terms of that being a 1980 number. By the time this project comes on stream, which could be 1983, all the factors that have already been discussed are going to come into play. In other words, inflation and construction costs may go up or down depending on whether or not it is an inflated construction cost or a very competitive bid, when times are a little tougher as they have been in the last little while. With inflation going down, then another situation develops and the number can change very dramatically.

The other factor is that many municipalities have not been prepared to bite the bullet in terms of their own rate charges. If they had an inadequate system being replaced by a more modernized, up-to-date, improved system, then I see no municipality with a static number in terms of water rates for a long number of years. They are certainly not prepared to accept the realities of having to increase that price to reflect inflationary pressures. Sometimes they have the kind of 50 per cent increase Mr. Higham referred to that hits them all in one year and they wonder why.

So there are a number of factors that go into this. I can tell you from the ministry perspective that what I am attempting to do in any new project is to give the most accurate number. In fact, forecasting what that number is likely to be by the time the tap is finally opened on the plant three or four years down the road, because that is what happens, is difficult.

Time is running by, but I wanted to mention one other factor. The rates are very tricky when we get into the kinds of systems that have been built in the last few years and which will be built in the foreseeable future. But we will be getting out of the business of developing the highly urbanized water systems because effectively they are in place now. In my view, we will be dealing more and more with the smaller communities. That is a policy decision we are looking at very carefully at the moment.

I am glad you concur and I would like to see the nodding of heads from other members of the committee. Some of them who represent rural areas will know there are water systems that are required in their communities. The problem is that it is going to be very tricky in the smaller communities. Water rates for those areas, by the very nature of the cost of the delivery system into those municipalities, will be quite high. There are distance factors, a sparse population and, in some instances in the north country, very difficult soil conditions. There are all those factors to look at. In some instances it is a problem to develop a precise rate that gives an accurate reflection to the municipality of what the real cost is going to be.

**Mr. McLean:** All I want to know is why it takes so long to get to cabinet for approval so that these people will know where they stand.

**Hon. Mr. Brandt:** Have you indicated or has the municipality—

**Mr. McLean:** The municipality has been waiting for years to know where it stands on this. I was assured months ago that it was going to cabinet and it has not been there yet.

**Hon. Mr. Brandt:** We will check into it and see what the problem is. I am not aware of the specific situation to which you refer.

**The Vice-Chairman:** Gentlemen, I am going to have to call the vote in about two minutes. I gave Mr. Charlton down for a supplementary and then Mr. Miller.

**Mr. Charlton:** I have a very brief question to ask. How many of the problems in forecasting rates of development result from forecasts that come from other ministries and/or the municipalities themselves?

**Mr. Higham:** If I could answer that question in the way I think you would like it answered we could not have a problem. The reality is that in setting up a project we are talking to the Ministry of Municipal Affairs and Housing, for example, and the Ministry of Industry and Trade, the municipality and the region, and perhaps we have our own forecast. There are lots of people involved in the forecasting mechanism.

**Mr. Charlton:** But you would be influenced in developing a plan by, say, forecasts for population growth from the Ministry of Municipal Affairs and Housing.

**Mr. Higham:** That is true. Where a discrete community is involved it is easier to deal with a forecast from that ministry. If, on the other

hand, we are talking about a scheme that may influence several communities, then it is not as discrete a forecast.

**The Vice-Chairman:** Mr. Miller, you may have the privilege of asking the last question in our estimates.

**Mr. G. I. Miller:** Is a formula not established so that you can charge a household so much, up to a certain amount? Is that not still in effect as far as water and sewer rates are concerned?

**Mr. Higham:** The basis for the ministry's grant calculation established back in 1973 was that a typical home owner in the province, assuming there be such a person, should be expected to pay \$110 a year for water supply and \$130 a year for sewage services. This gives a total of \$240 a year or \$20 a month.

To the extent that the cost to the community on a householder basis would be in excess of that, the ministry provided provincial assistance on the project up to a maximum of 75 per cent. That is not a maximum; it is simply a basis for the grant calculation on the project.

Clearly, if you take \$110 a year in 1973 and escalate that by simple inflation to 1983, then you are probably looking at \$250 or \$260 a year. We have not done that; the basis of the grants has changed.

**The Vice-Chairman:** Gentlemen, I will have to ask you, if you will, to turn to your estimates books so we can deal with the matter of—

**Mr. Elston:** To help the minister with his forecasting, Peter Pocklington's former forecaster is available, I understand.

**The Vice-Chairman:** Do you have an observation, Mr. Johnson, before we do the votes here?

**Mr. J. M. Johnson:** I would like to take a couple of seconds to congratulate Mr. Brandt on his new ministry and wish him well. I also feel it is important to recognize his staff who have worked so hard on behalf of the ministry. We so often take them for granted and we only criticize them when we have a problem, but they do a lot of good work. As a member of the committee tonight, I would like to congratulate his staff.

**The Vice-Chairman:** Thank you, Mr. Johnson, for that.

**Mr. Elston:** I think we will congratulate the staff by voting them their salaries.

**The Vice-Chairman:** Gentlemen, I would like now to turn to the votes.

Vote 2101 agreed to.

Vote 2102 agreed to.

Vote 2103 agreed to.

Vote 2104 agreed to.

**Mr. Elston:** I would like recognition of the fact that this is the September estimates material we are approving rather than the ones we started out with originally back in May.

**The Vice-Chairman:** This concludes the estimates of the Ministry of the Environment.

**Hon. Mr. Brandt:** Mr. Chairman, just before finishing, this being my first estimates as Minister of the Environment, I would like to thank all members of the committee for their co-operation, in particular the critics for the two opposition parties. You have been helpful during these estimates.

From my perspective, having been a committee member in the past, I think we have had a very thorough discussion on some of the key items that are of concern to all of us. I have appreciated your assistance during the course

of the discussion on the estimates. I would like to thank the staff. Mr. Johnson has already done that. They have been very helpful. They have been most thorough in their preparation for the estimates and have provided extensive material for the purposes of answering whatever questions may have arisen. I thank them for that as well.

There are some unanswered questions that were placed on the record by both the opposition critics—I believe all the questions were answered to all the other committee members. After we have an opportunity to check the record, I will see that those questions are answered by way of direct correspondence with you. I would be happy to discuss them either in the normal course of events in the House or by direct informal conversation with the member if they so wish. I will see those questions answered as well.

**The Vice-Chairman:** The committee stands adjourned until next Tuesday.

The committee adjourned at 10:34 p.m.

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Mulvaney, J. N., Director, Legal Services Branch

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# **Hansard**

# **Official Report of Debates**

## Legislative Assembly of Ontario

### **Standing Committee on Resources Development**

Estimates, Provincial Secretariat for Resources Development

**Third Session, 32nd Parliament**

Tuesday, October 25, 1983

Speaker: Honourable John M. Turner

Clerk: Roderick Lewis, QC

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# LEGISLATIVE ASSEMBLY OF ONTARIO

## STANDING COMMITTEE ON RESOURCES DEVELOPMENT

**Tuesday, October 25, 1983**

The committee met at 8:10 p.m. in committee room 1.

### ESTIMATES, PROVINCIAL SECRETARIAT FOR RESOURCES DEVELOPMENT

**Mr. Chairman:** Committee members, we will start the meeting. We have the one procedural item, as I said before, that we must deal with. That is this committee reviewing the workers' compensation report. There are just not enough hours allotted to us between now and Christmas for the committee to review the report.

**Mr. Nixon:** The committee can sit on Christmas; we are paid for year-round work.

**Mr. Chairman:** I think the committee would all like to see their report presented to the House. With that in mind, if there is no urgency of the report being presented, we would like someone to make a suggestion.

We have a couple of alternatives, as I see it. One would be that we sit extra hours over and above our normal sitting time, perhaps Wednesday afternoon or Monday afternoon. The other alternative would be to chop some hours off the existing estimates that we have to review. We have to review resource policy field, which we are starting tonight.

**Hon. Mr. Sterling:** I think we could wrap it up tonight.

**Mr. Chairman:** The minister suggests we could wrap it up tonight and get on with the Weiler report tomorrow. The Ministry of Transportation and Communications already has been chopped. Fifteen hours were allotted and apparently it is now down to 12 hours by agreement. For Natural Resources, there is 18 hours allotted and for Municipal Affairs and Housing, 15 hours.

One alternative would be to chop two or three hours off both Natural Resources and Municipal Affairs and Housing. The other alternative is to sit extra hours.

**Mr. Laughren:** In the spirit of co-operation, I am not prepared to agree to either. It seems to me there are two points: One, reducing the estimates time goes down very badly with us when it already has been negotiated down to what we view as the minimum anyway.

I had discussions with our two critics, who while you may not think they should determine the hours a committee sits, nevertheless, that is the way the system works around here. Both critics were adamant about not reducing the hours. Since I am the Natural Resources critic I can tell you why we feel there is a great deal to be done on the whole forestry question and we do not want to reduce those hours.

The member for Bellwoods (Mr. McClellan) is the Municipal Affairs and Housing critic. He felt very strongly about keeping the number of hours for that.

The other point is the extra hours. It was my understanding—and the House leader for the official opposition will perhaps correct me here—that the hours were struck the way they are now because of the various committees' sittings, in order to avoid conflicts with other committees—such as Wednesday afternoon sittings and so forth. I do not think we should tamper with that.

I think it is too late for you to be now worrying about the number of hours as we approach them in November. I do not think it is fair to dump that on the opposition members of the committee.

**Mr. Nixon:** We would be prepared to accept a small reduction in hours in Natural Resources. It occurs to me, Mr. Chairman, that this committee—resources development—has 55 hours of scheduled work without any other bills assigned to it, whereas the committee on general government has only 46 hours.

The estimates of the Ministry of Labour at 22 hours had been assigned to the general government committee. Perhaps they could accept some additional responsibility for the Workers' Compensation Board review that would not put them too far past the number of hours here. I would be prepared to recommend that to my colleagues in the House leaders' panel if that would meet with your approval.

**Mr. Laughren:** I have a problem there.

**Mr. McLean:** Mr. Chairman, as chairman of the general government committee, our time has been allotted up until the end of the session.

**Mr. Nixon:** Then the only thing is to sit into January, as far as I can see.

**Mr. Laughren:** I was going to add to that the problem Mr. McLean talks about. I do not know how you can have this committee sitting while the WCB would be before another committee. That does not make sense.

**Mr. Nixon:** Labour is going to be done—

**Mr. Laughren:** Or Weiler. No, but the members on this committee are very much concerned with the Weiler committee report, as you know.

**Mr. McLean:** Why do you not do it in January?

**Mr. Laughren:** John Williams even drops in from time to time.

**Mr. McLean:** Do it in January.

**Mr. Williams:** After that comment by Floyd Laughren, I will tell you all the truth about this—why Mr. Laughren is so resistant to get this matter resolved. It all revolves around a matter of a \$10 bet. We should get Al Kolyn in here to participate in this debate.

The truth of the matter is that Mr. Laughren was so confident that the report would not be tabled in the House this session that he wagered the stately sum of \$10 with Mr. Kolyn.

**Mr. Nixon:** That the report would not be—

**Mr. Williams:** Would not be tabled this session.

Interjections.

**Mr. Williams:** And his talk about not having the resources is just window dressing for the real motivation behind the delaying tactics. Without exception, even Mr. Laughren, when he wants to get serious, will agree that he and the rest of the members of the committee were determined at the beginning of our hearings that we would complete the report early on; in fact, we had hoped to get that report to the minister before the House resumed the fall session.

**Mr. Laughren:** Be specific.

**Mr. Williams:** I did not hear that. I still feel that that is really the desire of all the members, notwithstanding Floyd's comments.

On the other hand, I can see the reluctance of the opposition parties to cut down the number of hours for the estimates for the different ministries scheduled. I cannot really take issue with that. You are entitled to your time. If you feel it cannot be balanced with some other committee, which I think is the most realistic approach that Mr. Nixon is bringing forward, that probably could be accomplished with the sharpening of a pencil. That is the first option.

**Mr. Laughren:** It is not helpful if you are not specific.

8:20 p.m.

**Mr. Williams:** Mr. Nixon suggested—

**Mr. Laughren:** The chairman just told you that was nonsense. He did not quite use those words.

Interjection.

**Mr. Laughren:** Yes, I am sorry, he did not say they were nonsense. He said it would not work.

**Mr. Williams:** As I understood it, it had to do simply with the Workers' Compensation Board.

**Mr. Nixon:** What Mr. Laughren is saying is that the whole thing cannot be accomplished, so we can dismiss his position entirely.

**Mr. Laughren:** Yes.

**Mr. Williams:** The other option I think should be pursued more seriously. Surely this committee could afford more than Wednesday afternoon. Mr. Laughren has suggested it would conflict with other committees that are sitting. I am not aware that there are.

**Mr. Nixon:** He bowls Wednesday afternoon.

**Mr. Williams:** That may be the truth of the matter. Again, the real motivation to these objections is emerging from all sides.

**Mr. Laughren:** He plays bridge.

**Mr. Williams:** I thought it was squash. I really feel that, given the fact the report is in its final drafting stages, probably in an afternoon of concerted effort we could—

**Mr. Laughren:** No, it is not. We do not even have our dissent yet. How could it be in final draft?

**Mr. Williams:** It is not for us to debate that. I mean, you have your dissent and you file it. We simply fine tune what we have already put into final draft.

**Mr. Laughren:** You do not know what you are talking about.

**Mr. Williams:** It seems to me that on Wednesday afternoon or even two, at the outside, would not conflict with other committee activities. To my knowledge, there are no committees sitting on Wednesday afternoons. I stand to be corrected by the House leaders for the other parties.

**Mr. Chairman:** The general government committee.

**Mr. Williams:** If there is, there may be one sitting. There may be one but not enough—

**Mr. Nixon:** Maybe for those interested in the Weiler report it could be fitted into Wednesday afternoon.

**Mr. Williams:** I would think that the next two Wednesday afternoons probably could see us cleaning up the report to the stage where the staff could go to final printing for us. We could then be in a position to have the chairman table it in the House and let the Minister of Labour (Mr. Ramsay) have it as he has asked for it, before the conclusion of this session.

**Mr. Nixon:** What about giving it to him at the end of January instead?

**Mr. Chairman:** It is entirely up to the committee. We did commit ourselves as a committee to the minister that we would act as quickly as possible once the House resumed. We spent four weeks in the summer working on it.

**Mr. Laughren:** Could I make a suggestion?

**Mr. Chairman:** If you would like to, yes, please.

**Mr. Laughren:** I suggest that we deal with the Weiler report at the conclusion of these estimates and then let the—

**Mr. Mancini:** We will not be able to do that.

**Mr. Laughren:** Why?

**Mr. Mancini:** The estimates of the Ministry of Labour will be starting then.

**Mr. Laughren:** In this committee?

**Mr. Nixon:** In another committee, general government.

**Mr. Mancini:** People interested in the Labour estimates will also want to be—

**Mr. Chairman:** But not at the same time.

**Mr. Mancini:** Yes.

**Mr. Laughren:** But they do not sit on Tuesday nights, Wednesday mornings and Thursday nights.

**Mr. Mancini:** Give us a break.

**Mr. Laughren:** The only point I am trying to make, and there may be flaws to it, is that at the conclusion of these estimates, which will be the end of this week—at least I think it will be—we will deal with the Weiler report next week.

I think it is terribly important. I agree with John Williams. The work is all done on Weiler, and it is not done on all the other estimates. All we are doing is talking about Weiler, and I do not even know how much time we will need on Weiler. We may not need that much time. We surely do not have to debate all the issues again.

**Mr. Williams:** Probably one afternoon.

**Mr. Laughren:** That is my sense, too. Why do we not at least think about doing the Weiler report either next Tuesday night or, if you want a longer period of time, perhaps next Wednesday?

**Mr. Chairman:** Afternoon?

**Mr. Laughren:** We sit next Wednesday morning.

**Mr. Nixon:** And afternoon and evening.

**Mr. Laughren:** If we need it.

**Mr. Chairman:** The problem here is the Ministry of Transportation and Communications. I suggested that, in the first place, we would spend next week on Weiler and the government House leader said no way. The estimates are prepared to go and Mr. Snow has commitments beyond two weeks from now. In other words, it is going to take about two weeks for his estimates out of our regular sitting hours.

That is where the problem is. If you look at the calendar and look at the number of hours, there are enough hours of estimates to take us right up to what is considered our normal quitting time by sitting our normal hours.

**Mr. Laughren:** Could I ask you a question? It is peripheral to this but I think we have to deal with it. I believe it is a requirement of the standing orders that the Workers' Compensation Board comes before a standing committee of the Legislature, too, and that has not happened yet. This is the logical committee for them to come before, since we are dealing with Weiler.

**Mr. Nixon:** The Ministry of Labour estimates are with another committee.

**Mr. Laughren:** It would not have to be this committee.

**Mr. Nixon:** That gets back to my proposal. The Workers' Compensation Board can be referred to the standing committee on general government or, if you wanted to get on with your other work tonight, you might make a general recommendation—the chief government whip is here—and we could take it back to the House leaders' panel and bring you a solution.

**Mr. Williams:** Towards working with that solution, could we not, given the fact that, as Floyd has conceded, we have done the work and it is not for debating all over but simply to assure ourselves that the staff has interpreted our directions in refining the draft of the report that was prepared—

**Mr. Laughren:** Especially the dissent.

**Mr. Nixon:** They have written the draft report—

**Mr. Williams:** It is all done.

**Mr. Nixon:** —and then they are going to write the final report.

**Mr. Williams:** All we are doing is making sure that they have followed our instructions in refining the report. I think if we put our minds to it we could get it done next Wednesday afternoon. Why do we not at least get authorization to go at it—

**Mr. Laughren:** Wednesday morning.

**Mr. Williams:** Wednesday afternoon.

**Mr. Laughren:** No.

**Mr. Lane:** Mr. Chairman, I understand that the House leader of the official opposition is making a suggestion that the Weiler report go to another committee. I cannot see how that could happen because we have dealt long and loud with this.

**Mr. Nixon:** It is a three-day conference on the annual report of the Workers' Compensation Board. It has nothing to do with Weiler other than that they are both dealing with workers' compensation. This is the detailed report into which everyone reads the letters from their constituents.

**Mr. Watson:** With the numbers.

**Mr. Lane:** Anyway, somehow I think we should be able to accommodate getting our report back to the minister before the fall session is over. That was the commitment that we more or less made.

**Mr. Nixon:** That was the 1982 fall session.

**Mr. Lane:** If something has to be moved to another committee, I think we have to move some of the estimates. I really think that we, in all fairness, should try to deal with the final analysis of the Weiler report.

**Mr. Laughren:** What is wrong with dealing with Weiler next Wednesday morning? I do not understand that. We can still deal with the Ministry of Transportation and Communications on Tuesday night and on Thursday night.

**Mr. McLean:** Why do you not do it Wednesday afternoon? Do it Wednesday.

**Mr. Laughren:** I am not making the plea because I happen to have plans for Wednesday afternoon, but I am sure there must be other members who plan their schedule around the committee they are on. I am not kidding you. I think that is only fair.

I assume this committee sits Wednesday morning. I have made plans for almost every Wednesday afternoon.

**Mr. Williams:** We all have.

**Mr. Laughren:** Exactly, so I do not think it would be fair.

**Mr. Williams:** We have to set our priorities.

**Mr. Laughren:** It is fine for you to say "set priorities," but you tell that to the people you have made commitments to. I am not prepared to do that.

**Mr. Williams:** We have made a commitment to the injured workers to get this report to the minister in this session.

**Mr. Laughren:** Exactly, and that is what I want to get on with.

**Mr. Williams:** Right.

**Mr. Laughren:** Why will you not do it, then?

**Mr. Chairman:** Another option perhaps is, and I do not know whether we are going to take the full seven hours on these estimates that we are into now, if we were able to wrap them up by tomorrow noon, we could sit Thursday night on Weiler.

**Mr. Nixon:** That is okay for us.

**Mr. Laughren:** I am sorry, I do not want to tread on Mr. Nixon's toes, but I know I talked to one of the critics from the Liberal Party today on the Niagara Escarpment and I know he was talking about doing it on Thursday night as well. That was not a firm commitment, so I am not implying that.

**Mr. Nixon:** We did have that special debate on the escarpment.

**Mr. Wiseman:** Be reasonable, Floyd.

**Mr. Laughren:** I am trying. I think Wednesday morning is the most reasonable offer or suggestion. Take it from there.

**Mr. Nixon:** In other words, do what he says or forget it.

**Mr. Laughren:** No, I am not saying that.

**Mr. Nixon:** There is no alternative that I can see.

**Mr. Watson:** Can we do a little bit of both? We could arrange to do this next Wednesday morning and we would turn the rest back to the judgement of the House leaders who will adjust our time schedule to accommodate the estimates.

**Mr. Nixon:** That is fine.

**Mr. Wiseman:** What about the chairman's suggestion about Thursday night?

**Mr. Watson:** We might have to take an hour and a half off Natural Resources.

**Mr. Wiseman:** Mr. Nixon is in agreement. The only one is Floyd. Floyd may be in agreement if he thinks about it and takes some time

off the estimates we are talking about now and gets into it on Thursday night. Then you do not have to sit on Wednesday afternoon and lose the commitments you have, Floyd.

**8:30 p.m.**

**Mr. Laughren:** But if we do it that way—I am not dismissing that—then surely we could make the commitment now to take the time on Wednesday morning for Weiler and then negotiate. I do not want to do it, but I will talk with my House leader and let him battle it out at the House leaders' meeting after we have dealt with the Weiler report.

**Mr. Chairman:** Leave it to Mr. Nixon and Mr. Eaton. As long as the House leaders feel we can still complete all our estimates in the time slot by taking next Wednesday morning out. Making changes in the schedule for any one day could screw up all of our estimates, all the ones before this committee.

**Mr. Nixon:** We may as well look at the possibility of completing the Weiler report, ready to be reported in one session, and we are prepared to take that chance.

**Mr. Watson:** Let me know if you go to extra time on Wednesday afternoon.

**Mr. Chairman:** Sure.

**Mr. Laughren:** Next Wednesday we will deal only with Weiler in the morning. Is that fair? Is that understood?

**Mr. Watson:** And if we do not finish it, we will go on into the afternoon.

**Mr. Laughren:** No, wait a minute. That is not fair. What I am saying is we deal with Weiler next Wednesday morning—

**Mr. Nixon:** It has also been suggested that the week following is a short week. We could do Weiler that week. We could spend that week, whatever time is necessary, to get it ready to report. Somebody suggested that. I forget who.

**Mr. Chairman:** I would feel more comfortable with the suggestion of trying to wrap it up next Wednesday morning.

**Mr. Laughren:** We may very well be able to do it.

**Mr. Chairman:** We may do it.

**Mr. McLean:** Are we going to take your suggestion to finish on Thursday and cut these estimates short?

**Mr. Laughren:** We will not know because we will not know until next Wednesday—

**Mr. Chairman:** Not until tomorrow's meeting.

**Mr. Lane:** The minister is a very generous man. He will give up his time.

**Mr. Williams:** Let us go with Wednesday morning and incur the wrath of the minister.

**Mr. Laughren:** Hear, hear.

**Mr. Williams:** We will give it a try.

**Mr. Laughren:** There is a man with courage.

**Mr. Williams:** We have got to work that out with the minister.

**Mr. Chairman:** The opposition House leader and the chief government whip have heard our discussions. We will try to borrow that time next Wednesday from Mr. Snow, from the Ministry of Transportation and Communications, and plan on completing the Weiler report next Wednesday.

**Mr. Chairman:** Morning.

**Mr. Williams:** You are going to try to get the MTC estimates cut down.

**Mr. Chairman:** They have been cut down now.

**Mr. Laughren:** They have already been cut down.

**Mr. Chairman:** They cannot be cut any further.

**Mr. McLean:** Mr. Chairman, we have not resolved it, because if we do not complete the Weiler report on Wednesday morning, then we have a real problem. You are just putting yourselves into a situation where you will find yourself with a problem to get out of.

**Mr. Laughren:** Could we start the Weiler report at nine o'clock on Wednesday and go through to one o'clock, nine to one? Can we set the time right now so that we get an extra hour in there?

**Mr. Chairman:** Does everyone agree that we will complete it in that time period?

**Mr. Williams:** We cannot guarantee it but we will try. That will give us a full morning to try and accomplish that.

**Mr. Laughren:** When John Williams gets going, you do not want to cut him off.

**Mr. Nixon:** Bill Wrye is not here. I cannot make that commitment for him either, but I think it would be worth a try anyway. On those scheduled Thursday morning meetings, we could consult with the representatives from each party and see if we can work out something that would be mutually acceptable. Okay, Robert?

**Hon. Mr. Eaton:** Agreed.

**Mr. Chairman:** I think we can leave it that way then. Thank you for your co-operation.

**Mr. Williams:** So that is the tentative arrangement.

**Mr. Chairman:** That is the tentative arrangement, barring anything that comes back from the House leaders.

**Mr. Nixon:** Tentative arrangement; I like that.

**Mr. Williams:** We get the word on high from whom and when?

**Mr. Laughren:** May I make one further suggestion, but not to muddy these waters as it is separate from this, and that is on the Workers' Compensation Board itself? I do not think we should resolve it tonight, but may I suggest there be some discussions for one of our next few meetings that we deal with that.

**Mr. Chairman:** It has not been referred to us as yet.

**Mr. Laughren:** What do you mean? It is automatic, is it not?

**Clerk of the Committee:** It is not on the order paper.

**Mr. Laughren:** No, no, but it is a statutory requirement, I believe.

**Clerk of the Committee:** Has it been tabled?

**Mr. Chairman:** No, I do not think so. It has not been tabled in the House, has it?

**Mr. Nixon:** The only one reported is last year's.

**Mr. Laughren:** Yes, it is last year's.

**Mr. Nixon:** It was tabled a year ago. That is a very—

**Mr. Laughren:** It is an automatic referral.

**Mr. Nixon:** But not necessarily to this committee, is it?

**Mr. Laughren:** No.

**Mr. Chairman:** I think it is up to the House leaders to discuss that at their panel.

**Mr. Charlton:** You have to instruct the House if you do not want it referred here. It is an automatic referral to the resources development committee unless the House designates otherwise.

**Mr. Chairman:** I would like to see that in the standing orders first. I think the chief government whip and the opposition House leader have an indication of our dilemma and are going to try to help us solve it.

Now perhaps we could welcome the Provincial Secretary for Resources Development, If

you would like to introduce your subject to us, away you go.

**Mr. Stokes:** I hope you are going to deduct this administrative trivia that is taking from the time of the very important business of the Provincial Secretariat for Resources Development.

**Mr. Chairman:** We would hate to take any time from that.

**Hon. Mr. Sterling:** Mr. Chairman, I am pleased to present the 1983-84 estimates for the Provincial Secretariat for Resources Development. Before I begin my remarks, I would like to introduce my deputy John Thatcher. It may be of interest to the committee members that perhaps this is the only time, John, that two civil engineers have tried to run a ministry in the Ontario government. I do not know what that means—

**Mr. Laughren:** Do we have any regional directors here?

**Hon. Mr. Sterling:** No, we do not have any regional directors here, Mr. Laughren.

Perhaps the best known function of the provincial secretary is my duty to act as chairman of the policy field committee, in my case, the cabinet committee on resources development.

Interjection.

**Hon. Mr. Sterling:** No, I do not.

Mr. Chairman, Mr. Laughren is sitting where I understood witnesses sat.

**Mr. Laughren:** I am prepared to bear witness.

**Hon. Mr. Sterling:** When I was in the minority parliament and under the direction of the then chairman of the justice committee, Mr. Philip, he never allowed witnesses to speak until they were given permission by the chair.

**Mr. Laughren:** This is true.

**Mr. Chairman:** We will hold to that rule.

**Hon. Mr. Sterling:** As provincial secretary, I serve also on five other cabinet committees. I am chairman of the cabinet committee on native affairs and a member of Management Board of Cabinet, of the policy and priorities board of cabinet and of the Board of Industrial Leadership and Development. I am also vice-chairman of the legislation committee. By serving on a variety of committees which guide both the policy and the financial direction of our government, I believe I am able to present a fairly broad perspective to my colleagues during the discussions.

Before turning my focus to native affairs and the Niagara Escarpment, I would like to expand

briefly on two matters which are of great interest to me personally and as a minister.

During the past decade, concern surrounding the increase in computer crime has accelerated the need for us as legislators to address the whole subject of privacy and electronic data protection. In an address to Canadian businessmen last September, I stressed that the right to privacy is something all of us guard closely and value very highly. Ironically, though, there has never been adequate legal recognition of this right in our country.

Under existing Canadian law, individuals making unauthorized entries into computer systems have generally been charged with mischief and given very light treatment. Although the federal government is examining changes, at present there are no provisions in the Criminal Code which specifically address computer crime.

**8:40 p.m.**

As communication technology advances and becomes an even more important cog in our daily lives, the question of privacy and data control will become much greater. For example, while the introduction of two-way cable television services has provided various benefits to consumers, the potential for abuse has increased significantly. The opportunity for the free-wheeling exchange and selling of information supplied to an electronic data bank has resulted in the consumer inadvertently sacrificing a portion of his privacy. More important, there is no recourse for the individual who feels that the information he has supplied has been used without his authorization.

As privacy rights are largely a matter of provincial jurisdiction, because they deal with property rights, I believe the time for industry and legislatures to respond is now. The concerns surrounding privacy and electronic data protection are very real. It is equally important, however, that they be addressed in a co-ordinated and responsible manner.

In this regard, I have written to my federal and provincial colleagues, inviting them to address the issues I have raised and to establish a forum for future initiatives. I might add that I have been encouraged by the responses I have received to date and will be following up on them shortly.

The second area which I am at present pursuing affects—

**Mr. Stokes:** Freedom of information.

**Hon. Mr. Sterling:** Actually I am, Mr. Stokes, pursuing that as well.

**Mr. Stokes:** How do you shift gears from privacy to freedom of information without doing anything about either?

**Hon. Mr. Sterling:** I think I am doing everything I can to promote both.

The second area which I am at present pursuing affects all of us as provincial members of Parliament. I do not think that there is a single committee member here who feels that our time spent in the Legislature could not be improved upon.

When I presented the estimates of the Provincial Secretariat for Justice last spring, I indicated that I was discussing with the House leader and my cabinet colleagues the concept of an omnibus bill. This bill would address legislative changes of a strictly minor nature. The reasoning behind this proposal is that house-keeping amendments, although important, are often postponed until major issues are addressed. While I agree that prioritization is necessary, I feel that gathering many minor amendments into a bill would have the advantages of saving the time of the Legislature and improving the overall efficiency of government.

I have discussed this concept with my colleagues in the Resources Development policy field and have been actively working with them to draft a bill governing ministries within my field. They have responded very positively. I recognize that such an initiative would require the full co-operation of all members of the Legislature, and I will be seeking their support in the near future.

I would like now to turn my attention to the work of the Niagara Escarpment Commission. As I recently indicated in the Legislature, three years after the hearing process was initiated, the report of the hearing officers was presented to the commission and to the Provincial Secretariat for Resources Development last February.

As you may be aware, the hearing officers, throughout the 26 months of public sittings, received over 1,000 submissions from individuals, municipalities and various associations. During this period, more than 9,300 people attended the various sittings the hearing officers held. I believe the opportunity for extensive discussion on this matter has certainly been realized.

A few months later, in June of this year, the Niagara Escarpment Commission submitted its recommendations in the form of a final proposed plan for the Niagara Escarpment. Supplementary documents were also submitted,

including recommendations on the ways in which the plan could be implemented.

As required by the act, I am considering the recommendations of the commission, together with those of the hearing officers. I will then submit my comments to cabinet. These recommendations, to the extent that they differ from those of the hearing officers, will be published and 21 days will be allowed for written submissions. When these written submissions have been received and analysed, we will consider all the input and prepare a document which will go to cabinet and will become the final plan for the Niagara Escarpment.

I have also familiarized myself with the geography. During the past two months, I have visited areas along the escarpment to see at first hand those sites which are discussed in the reports of the hearing officers and the commission. As I informed members of the Legislature on October 13, 1983, when we had the emergency debate, I have visited such areas as the Fonthill kame, the Speyside region in Halton, the Credit Valley in the region of Peel and Beaver Valley in the county of Grey.

My studies of the recommendations and the site visits have increased my appreciation for the escarpment and the need for special policies to protect the use of its resources in the years to come. I also believe that a special agency, such as the Niagara Escarpment Commission, is necessary to advise local government and the province on the protection of the escarpment. As I mentioned in the Legislature, the functions of such a body need to be further refined on my part before this matter can be submitted to cabinet.

This has been an important and active year for the Niagara Escarpment. I hope the coming months will bring to fruition the results of 10 to 15 years of very dedicated and excellent work on the part of many people, including the commission, the hearing officers and many voluntary groups and nonprofit groups which have submitted reports to the hearing officers.

As the minister responsible for native affairs, I have come to be well aware during the short time I have been here of the outstanding issues which exist between natives and the Ontario government. I am also aware of the complexity of these issues and the task which both federal and provincial governments, as well as natives, have in trying to address them.

During the debate last week in the Legislature on aboriginal and treaty rights, MPPs spoke

from personal knowledge of the plight of natives in Ontario.

**Mr. Stokes:** Did you speak in that debate?

**Hon. Mr. Sterling:** Yes, I did.

**Mr. Stokes:** It could not have been too noteworthy.

**Hon. Mr. Sterling:** That is a matter of subjective judgement, I guess.

Being a member from eastern Ontario, I confess I have not had the opportunity to acquire this firsthand experience. However, during my short time as Resources Development secretary, I have come to realize that we as a government must change the status quo. In this regard, the adoption of the resolution last week began the important process of clarifying the nature and extent of native rights. It established a mechanism that guarantees consultation with aboriginal people prior to the consideration of any future amendments. While passage of the amendment to our Constitution is by no means an instant solution, it is an important step.

In this regard, preparations are currently under way for the 1984 first ministers' conference. During 1982 and early 1983, the province arranged numerous meetings between Ontario officials and staff of the Ontario Native Women's Association, the Ontario Metis Association and the registered Indian organizations in the province. In addition, I will be taking part, along with an Ontario native delegation, in the upcoming federal-provincial ministers' conference scheduled for November 2 and 3 to discuss the agenda for the 1984 first ministers' conference.

I would like now to make reference to the 40 issues which have been identified, appear unresolved and require further discussion. I have been actively discussing these relevant issues with the particular line ministries and also with some of the native organizations to try to gain some movement wherever possible.

Towards this end, it is my objective as chairman of the cabinet committee on native affairs to bring forward the items which are within our ability to assist in resolving. Accordingly, I will be establishing a timetable and will be requesting line ministers to address the issues which pertain to their ministries at the cabinet committee on native affairs. I believe this mechanism can be better used and can be successful in providing a forum for the resolution of some of these matters.

8:50 p.m.

As you are aware, I am Ontario's representative on the Ontario tripartite council, and had my first meeting on July 7, the day after I was sworn into this position.

**Mr. Stokes:** Did you say that was an admission that was never done in the past?

**Hon. Mr. Sterling:** Perhaps you could ask questions after I am finished, Mr. Stokes.

**Mr. Chairman:** That would be a more appropriate time.

**Hon. Mr. Sterling:** Other members of the council include the Honourable John Munro—

**Mr. Stokes:** I wanted to ask while it was fresh in your mind.

**Hon. Mr. Sterling:** I will be finished fairly soon, Mr. Stokes.

Other members of the council include the Honourable John Munro, Minister of Indian Affairs and Northern Development; Grand Chief Frank Beardy, Grand Council Treaty 9; Grand Chief John Kelly, Grand Council Treaty 3; Mr. Joe Miskokomon, president of the Union of Ontario Indians; and Gordon Peters, president of the Association of Iroquois and Allied Indians. The tripartite council is chaired by Mr. Justice E. Patrick Hartt, who is the commissioner of the Indian Commission of Ontario.

The tripartite process, which in Canada is unique to Ontario, exists to assist the parties in addressing issues of major concern and in reaching solutions which are satisfactory to all of them. Examples of issues that have been discussed and considered at the tripartite forum include policing on reserves and Indians' fishing rights in Ontario.

I would like to turn to our involvement in the negotiations with the Islington band, commonly known as the Whitedog band as well.

You will recall that the province entered into negotiations with the band based upon a 1978 recommendation of the Royal Commission on the Northern Environment. The commission recommended that special efforts be made by the province and by Canada to assist the band to recover from major economic, social and cultural damages it has suffered in recent years. The band has endorsed an agreement with the Department of Indian Affairs and Northern Development on behalf of the federal government. This Canada-Islington band agreement provides for a cash settlement of \$1.5 million, a revised education program, including construction of a high school on the reserve, a children's group home on the reserve, a women's craft

program and a special mercury testing program for fish.

The proposed Ontario-Islington band agreement increased opportunities for band members to harvest specific natural resources in the vicinity of the reserve as well as some financial assistance for the construction of a band-operated reforestation seedling greenhouse and the purchase of equipment for band fishermen, trappers and guides. The agreement also commits the province to study band needs for the young and the elderly and to expand or establish new services or facilities to meet the identified needs.

Unfortunately, the negotiations, which were close to completion earlier this year, did not come to fruition and we were unable to reconvene meetings with the band during the summer months. I am, however, pleased to report to the committee that I did recently meet with Chief Mandamin of the Islington band and we have agreed to try to resolve this matter prior to the end of this year. In this regard, I am extremely hopeful and positive in that we have already set an interim date for another meeting to be held on November 15 of this year.

In the short time I have been Provincial Secretary for Resources Development, I have recognized that there are many difficult issues facing me. I look forward to resolving as many as I possibly can and welcome the challenges which lie ahead of me.

In that view, I ask each and every one of you to assist me in this endeavour. I look forward in particular to your comments and suggestions and will attempt to answer any questions which may arise.

Before I turn it over to the members of the committee I would like to also ask you, Mr. Chairman, to establish if any members of the committee would like to question Mr. McMullin, the chairman of the Niagara Escarpment Commission. I believe he was here last year. I have not requested he be present but I am not sure of your pleasure in that regard. Perhaps at some time during the discussion you can tell me. I did not want to take him away for all three days, but I would be most pleased to have him here at your pleasure.

In response to Mr. Stokes's query with regard to the cabinet committee on native affairs, in the past it has been the position of the Provincial Secretariat for Resources Development, as I understand it, that the cabinet committee on native affairs would meet and discuss policy issues when submitted by line ministries, and

sometimes the secretariat would have particular policy items which were under its direct jurisdiction.

However, I am not satisfied with that approach. I am not satisfied that enough impetus is being put to the area of native affairs within some of the line ministries. I hope that by scheduling and asking some of the line ministers to bring policy papers forward to the committee, I will bring some of the issues to a head sooner than has been done in the past.

**Mr. Stokes:** Good for you.

**Mr. Chairman:** I would like to go on with the responses. Mr. McKessock, on behalf of the official opposition.

**Mr. McKessock:** Mr. Chairman, our official critic is not able to be here and I will be pleased to say a few words. I have not prepared anything in particular to talk about and the minister has not given me much meat to respond to, but I would like to say a few things on the preservation of farm land, which I did not notice the minister mention, the Niagara Escarpment issue and also agriculture.

First, I would like to say a little on the Niagara Escarpment. You mentioned that the hearing officers' report was in, final plans for the Niagara Escarpment Commission have been presented to you and now you are going to have a look at them and make a recommendation to cabinet.

I hope you have taken the time to read everything I have said about the Niagara Escarpment issue over the last eight years, because I am not going to repeat it tonight.

**Mr. Laughren:** You have been consistent.

**Mr. McKessock:** I have been consistent. When we get down to the final days it boils in a pretty small pot as far as I am concerned and as far as the people who live on the Niagara Escarpment are concerned. I do not live near the people on the escarpment, I live with them, as my land is also on the Niagara Escarpment. This has been a hard-fought issue for many years, starting back before I came in here nine or 10 years ago.

I think we have come a long way and it is really unfortunate that we had so far to come, but I guess it is a little gratifying that we have turned the thing around a considerable amount. When I say it is too bad we had so far to go, I look at this article here in the paper, an advertisement for the Niagara Escarpment Northern Ratepayers Association, NENRA, which shows the problems that occur when one has to fight

legislation one thinks should not be there and is infringing on one's rights.

This group is now \$18,000 in debt after many years of fighting. I think it would be a good gesture if the minister would write a cheque for that and send it to bring them out of the hole, because I suppose it has been good for you in one sense since it fought the legislation and helped the government take the wrinkles out of it.

9 p.m.

It reads: "Niagara Escarpment Northern Ratepayers Association needs your financial support right now. For nearly 10 years the association has battled the intrusion of the Niagara Escarpment Commission into our affairs. It is an unwarranted abrogation of our land use rights with no recompense to either land owners or residents.

"We have submitted countless briefs, attended all public meetings of the Niagara Escarpment Commission and hearing officers, organized many regional protest meetings of our own. We have hired lawyers both here and in Toronto and we have fought the Niagara Escarpment every step of the way, right to the court appeal. For what? We got some satisfaction but also a large debt at the end of the road."

I feel the minister should be taking the hearing officers' report very seriously. These three men were seasoned Ontario Municipal Board hearing officers. They spent two years listening to 1,000 submissions; 9,300 people turned out. I think they were in a position to get the feel of what was really taking place out there on the Niagara Escarpment and what really were the rights of the people and how they felt about it.

Sitting there day after day and listening to these things, they have come up with a very fair report. I will wait for the minister to come back before I get to my punch line. I do not want him to miss it.

**Hon. Mr. Sterling:** I am listening.

**Mr. McKessock:** Two of the most outstanding parts of the report, as far as I am concerned, are that it says we should do away with development control and go to controlling this land through official plans and zoning bylaws. This is a fair way to control this land. It is the way all other land in Ontario is controlled. Why should we be controlled any differently than any others?

When it is controlled through zoning bylaws, you know what you can do with a piece of property when you buy it. Under development

control, you do not know until a group of people decide what you can do with it. You could buy a piece of property, think you can build a house or a barn, or an industry, or whatever, and then find out when you apply for a development permit that you are turned down and you have a useless piece of property. Doing it through zoning bylaws is only fair.

I read an article recently that said when the Premier (Mr. Davis) was asked about the preservation of farm land he said that one cannot tell a farmer what he can do with his land. He said that very recently, within the last couple of months.

**Hon. Mr. Sterling:** Do you have that, Mr. McKessock?

**Mr. McKessock:** No, I do not have the article here but I think I can get it for you.

**Hon. Mr. Sterling:** I would like to see the quotation.

**Mr. McKessock:** This is a double standard, saying that one cannot tell a farmer what to do with his land when it comes to preserving agricultural land, but when it comes to the Niagara Escarpment act, there is no hesitation in telling a farmer.

**Mr. Laughren:** Do we not already control these uses of land?

**Mr. McKessock:** Everything is controlled, let's face it.

**Mr. Laughren:** Exactly.

**Mr. McKessock:** But let us control it all the same with the same procedure. Let us do it through zoning bylaws and official plans so that we are not—

**Mr. Laughren:** I cannot understand why the Premier would say something so silly.

**Mr. McKessock:** I did not understand either. To me it was a double standard when you look at the preservation of farm land and you look at the Niagara Escarpment Planning and Development Act.

That was one of the areas that was very well thought out by the hearing officers. Of course, if one then decides to control land through zoning bylaws and one decides to do away with development control, there is no more need for the Niagara Escarpment Commission. Of course, the commission has tried to preserve its job by saying both of these things should stay in.

I am not running down what the Niagara Escarpment Commission has done over the 10 years. Certainly, if they have done nothing else, they have advanced planning in this province by

leaps and bounds. Ten years ago when they started, there was very little planning being done out in the rural areas. But things have changed. In Grey county alone, we now have something like eight full-time planners and 10 years ago we had none.

When you look at that, it shows quite clearly that we do not need another level of planning, such as the Niagara Escarpment Commission.

I think the Niagara Escarpment Commission has certainly promoted planning over the last 10 years, because people have looked at what the commission is doing, looked at the Niagara Escarpment act and said, "There has to be something better than this." So they decided to go for official plans and zoning bylaws and it has come ahead by leaps and bounds.

Therefore, there is no reason now why those should not take the place of the Niagara Escarpment Commission in the area, because it is the planning system throughout the rest of Ontario. In fact, in Grey county they have put special parts in their official plans for the Niagara Escarpment and it has certainly been protected under official plans and zoning bylaws.

It sometimes annoys many of us who live on the Niagara Escarpment to hear people saying it is not being preserved. We have been preserving the Niagara Escarpment for hundreds of years and we do not feel we are doing it any injustice. It is a little different in different areas on the escarpment. Closer to the cities, it may well be that it has been overpopulated or overindustrialized, but many parts of the country are as good as they ever were and will be the same way 100 years from now without development control.

I see no reason for the Niagara Escarpment Commission to remain. You mentioned it has been 10 to 15 years in the process and it has cost us \$10 million to \$15 million. On the average it is around \$1 million a year. I notice in your estimates for this year it is \$1,808,800. It is getting awful close to the \$2-million figure this year.

It has cost us a lot of money and I think we had better thank them for the job they have done and turn them out to pasture because they have finished. We will take the best out of their plan, adopt it into the official plan of the province in the area of the Niagara Escarpment and carry on and let the people in the Niagara Escarpment live with the same amount of dignity as other people in the province who own land.

I would like to say a wee bit on agriculture.

Before I get into it too deeply, I want to mention the hydro corridors which are also going to cost Grey county, Bruce county and Simcoe county. I think agricultural land gets into this issue. I know this has been brought before the cabinet recently, too, suggesting that the hearings should be opened up for which route should be accepted for this corridor from Bruce to London, which has now changed from Bruce to Essa.

I am mentioning this now because I did not think it was right that the Deputy Minister of Agriculture and Food should have participated in those consolidated hearings board hearings speaking out for agricultural land, because what he was doing was putting one side against another. It is going to go on agricultural land no matter where it goes, so I think the ministry should stay out of it when it comes to public hearings.

If the corridor could have been taken off agricultural land and put somewhere where there was no agricultural land, fine. The argument can be made in our area that our land is not as productive—that is right maybe as regards the land from Bruce to London—but it is harder for us to make a living on it. Therefore, the bushels of corn and the pounds of beef are a little harder for us to grow, although we add to the production in Ontario.

If the hydro corridor goes across our land, it makes it that much more difficult again; it is putting a little more burden on the people who already have a burden. That is why I think the minister—

9:10 p.m.

**Mr. Stokes:** It has been that way with marginal farm land ever since your ancestors cut the trees down.

**Mr. McKessock:** That is true, but why give them another burden? That is the thing. I feel the minister should stay out of it, because all he is doing is putting it on one farmer after another. He is supposed to be there for all farmers.

**Hon. Mr. Sterling:** I think there are other kinds of land that are under consideration when they are looking at a hydro corridor.

**Mr. McKessock:** Yes. We have the Niagara Escarpment lands in our area, but they do not want to go over them.

**Hon. Mr. Sterling:** They have to go over the Niagara Escarpment lands regardless, if they are going to get across them, but there are other lands as well we are dealing with that naturalists have an interest in and all other kinds. Was that

what the deputy minister was talking about? Did you hear him? Were you at the hearings?

**Mr. McKessock:** I was not, but he was saying that he did not want it going on choice farm land. What I am saying is sure, there is choicer farm land than ours, but ours is still farm land. If you take a look at the aerial view of both routes, it looks like pretty good farm land on both routes. Of course, there is only a 700-acre difference between the farm land it was going over on one route as compared to the other, so it was not a great amount of land they were saving by switching the routes.

Anyway, I am not sure this hydro corridor issue is pertinent to these estimates or I would go on further. I feel the hearings should be opened up, because the people in our area were not given proper notice of the hearings held in Stratford. I hope these hearings are reopened to give them a chance to have their democratic say, because the advertisement that appeared in our paper to let them know what was happening never mentioned that it was looking at six routes. All the hearings were held in Stratford, 100 miles away from our area. There was no way the land owner could read that advertisement in the paper and know what was happening.

**Hon. Mr. Sterling:** Were you in the Legislature today during question period, Mr. McKessock?

**Mr. McKessock:** Right.

**Hon. Mr. Sterling:** Did you hear the Premier answer Mr. Nixon of your party?

**Mr. McKessock:** Yes, I did.

**Hon. Mr. Sterling:** I thought he made it clear that there would be an opportunity for people to express their concerns.

**Mr. McKessock:** I am glad you brought up that point, because I do not think this is a proper opportunity. The Premier said that when they start the new hearings in February 1984 to pick the exact route on M3, at the beginning of those hearings they will give some time to the people in our area to present their case that this is not the right area for them to be in. That does not seem proper to me.

They are making it look as if they are going ahead with this route, but they are going to give us a little time at the beginning of the second-phase hearings to have a say. Actually, it is not just a say they want. Sure they want their say, but they want to have some impact. For it to look legitimate, they should hold those hearings before the second-phase hearings start. When

the second-phase hearings start, they are going down the road to the final M3 route.

**Mr. Chairman:** A series of open houses held across the entire route was completed just recently, at which people had an opportunity to view the various alternatives and to express concerns, which I think would be final input into the final location.

**Mr. McKessock:** The final area has already been chosen, but we want the hearings opened up because we were not properly notified to have input into those hearings in Stratford which picked the final area. The hearings you are talking about, the public hearings that have just been finished, were the public hearings to look at the exact route within M3. There are three routes now that have been picked by Ontario Hydro within M3.

**Mr. Chairman:** I realize that.

**Mr. McKessock:** These public hearings are to look at those three routes and to choose one of those. We are saying that they are in the wrong area. They are saying, "The Stratford hearings decided that was the area it should be, and we switched it from M1 to M3." But our people were not at the hearings in Stratford, because they never got any notice about those hearings.

Right now, every land owner in the Grey area is getting letters announcing the 1984 hearings of the consolidated hearings board. I already have two letters telling me the second set of consolidated hearings are coming up in 1984. I received nothing about the ones in Stratford. To me, that is an indication that they realize they made a mistake last year, because now we are going to be notified. With those two letters I have already, they are saying they are the first of three or four I am going to get. They will notify me when the exact date comes and they will notify me where the hearings are going to be. We are going to get all kinds of notice this time, but that is what should have happened the first time.

If the government does not decide to open those hearings, and our people take this to court, I feel they will win. I should have brought with me the advertisement that was in our paper. I have it down in the office. There is just no way a judge will rule in favour of the government when he sees the advertisement our people got notifying them of the Stratford hearings. As I mentioned when I appealed the decision a year ago, surely we have not reached the stage when we have to have a lawyer to read

the newspaper for us. Even a lawyer could not understand what was happening.

The consolidated hearings board was looking at six routes. The ad did not say that. It did not say that it might change it from one route to another route. It did not say that there would be no more hearings if they picked another route. Any judge would rule this advertisement to be very improper. I know, according to the act, that you do not have to notify everybody, that an ad in the paper is all right, but surely the ad in the paper has to be understandable so that the people in the area know what is going on and that they are going to be affected.

I was not going to get on to the hydro corridors, but I am glad I did, because I hope that you are not through with this issue and that you do open these hearings up to give the people in Bruce, Grey and Simcoe counties a chance to have their democratic say, which they did not get a chance to do. The next time surely some of the hearings will be held in the area that is affected as well.

**9:20 p.m.**

**Agriculture:** when we start work on the land we come up with the most troubled business right now, the beef business. Ontario is going to lose a big share of the beef industry if the government does not soon do something about it. What they should be doing is exactly the same as the other provinces are doing. Not that I am in favour of subsidies; if no one would pay subsidies, that would be great. But the fact that Quebec, Saskatchewan and Manitoba are paying their farmers enormous subsidies at this time leaves the Ontario industry in a very disadvantaged position.

**Mr. Laughren:** They are driving us all into the socialist fold, with subsidies. Where is the line between free enterprise and socialism? I cannot stand it.

**Mr. Wiseman:** What about the federal government? Why don't they bring in a stabilization—

**Mr. McKessock:** Listen for a bit, you may learn something.

**Mr. Wiseman:** I think I know enough.

**Mr. McKessock:** Quebec and Saskatchewan have Ontario farmers feeding beef for them right here in Ontario now. It is unfortunate that we have to feed beef for these two provinces. That is the only way we can make a dollar. We cannot afford to buy them.

I was at the Wiarton sale last week, and the Quebec buyers were there. Ontario farmers cannot compete against the Quebec buyers,

because they are guaranteed 90 cents when they take them back home. They can buy a 900-pound steer in Wiarton, take it home, put 100 pounds on it and make \$250. It is a gravy train. We cannot—

**Mr. Wiseman:** Who is feeding the western cattle for them? What feeders are there in Ontario feeding western cattle?

**Mr. McKessock:** Come to me afterwards and I will tell you. They do not want their names on the record. They are not proud of it, but they want to stay in business. I was taken across Bruce county three weeks ago by one of the prominent farmers, and we spent all day calling in at farmers' places. One fellow told me he is going to try feeding them for Quebec and if that does not work he has to close up shop. He will be done at the end of the year. He is trying everything to stay in there.

We cannot compete. They have us at a disadvantage; as long as they do, they do not mind keeping us there. Ontario should be doing the same thing as those provinces right now, and then the stabilization plan the minister is after would come in a heck of a lot quicker. As long as they have us down and are standing on us, they are going to be in no hurry to come in with a stabilization plan.

**Interjection:** Who are "they"?

**Mr. McKessock:** The other provinces.

I suggest tonight to our Provincial Secretary for Resources Development, who is the overseer of agriculture, that he see that the Ministry of Agriculture and Food for Ontario—

**Interjection:** The overseer?

**Mr. McKessock:** That's right. Agriculture comes under your umbrella; is that right?

**Hon. Mr. Sterling:** I like "the overseer."

**Mr. McKessock:** If you do not keep a close eye on it, it is going to disappear. The Quebec farmers are expanding and we are going broke; it is as simple as that. What we are doing is losing our industry to these other provinces where their farmers are getting paid. One cannot stay in business long if one does not get paid.

The equity of the beef farmers in Ontario has been going down the tube swiftly for the past two years. This fall is going to be the end of it for quite a few of them. We thought last fall was the end, but it is going to be nothing to what one is going to see in the months ahead. If you come in with a payment this fall for the 1983 production, it will put them on a little better ground with

these other provinces, but if you do not, they are going to continue to have the advantage over us.

**Mr. Wiseman:** Do you believe in supply management?

**Mr. McKessock:** Yes, I do.

**Mr. Wiseman:** So do I.

**Mr. McKessock:** I might just mention that I hope I have embarrassed you enough about this beef industry that you will do something about it, because one other place where Quebec is putting it over on us is that they ship to Toronto the best of the cattle they have been feeding here in Ontario, if they can make a dollar out of them, and take the poorest ones back to Quebec, where they are guaranteed 90 cents.

Each farmer is guaranteed 1,000 head under this program. It is really something to watch them come and buy these cattle out from under our noses and laugh all the way home. We are sitting here not able to buy them. Even if we bought them at a lower price, it would be impossible to make a profit because the market price is no good and we do not have the subsidies that Quebec, Saskatchewan and Manitoba have.

I commend the minister for trying to get the stabilization plan in, and I hope it gets in quickly for 1984. If it is retroactive for 1983 that will be dandy, but if it is not then Ontario must come in with the loan payment for 1983.

**Hon. Mr. Sterling:** Mr. Chairman, there were three items raised by Mr. McKessock. First of all was the Niagara Escarpment Commission. I am not aware of any payments made from public funds either to the property owners' group or to groups representing the environmental associations to represent their point of view. I understand environmental groups have raised considerable amounts of money through voluntary donations. To my knowledge, the secretariat has not been asked for assistance on their representations for legal bills etc.

We have not really dealt with the matter in the past but, considering the economic restraints we are under, I doubt that we would be supporting one group as opposed to another. Since this is the first request I am aware of, it would be difficult to implement a policy ex post facto, as the situation now has passed.

I understand that you support the hearing officers' report very strongly. However, I must indicate that your view is not universally accepted. Unfortunately, you were not here for the emergency debate, which I believe was on October 13. I heard views expressed by a

colleague of yours in the Legislature that were quite different from yours—in fact, 180 degrees different.

**Mr. McKessock:** It is hard to believe it would be 180 degrees different; that is quite a turn.

**Hon. Mr. Sterling:** At any rate, that is the way I would interpret the remarks.

**Mr. McKessock:** Which did you think was the better presentation?

**Hon. Mr. Sterling:** There was only one presentation in the Legislature.

**Mr. McKessock:** Is this not the same as the Legislature?

**Hon. Mr. Sterling:** I was talking about that date. But I do disagree with your philosophy that there is no more need for a co-ordinating body such as the Niagara Escarpment Commission. I stated that unequivocally. I agree that the escarpment is a beauty spot, a significant natural piece of landscape in the province, and is worth preserving in some co-ordinated fashion from one end to the other.

The problem with doing away with the NEC or an equivalent body is that we are dealing with some 34 municipalities and, I believe, five or six counties or regions. I think most members of the Legislature agree that there is a necessity to have some consistency in planning policy from one end of the escarpment to the other.

**Mr. McKessock:** According to the act, they were to come up with a plan and then their job was finished.

**Hon. Mr. Sterling:** One can interpret the act in many different ways. It depends on what the act says and it depends on the future role of the NEC or a body that would replace it.

**Mr. McKessock:** You can give them a future role by adding to the civil service or you can turn the job over to the local municipalities now.

**Hon. Mr. Sterling:** I think what I have indicated in my remarks here and what I have said in the Legislature is that I do not believe the municipalities can represent the provincial interest in the unique landscape we have in this province. Therefore, it will not be my position that we will evolve all of the control away from the central body. I am stating what my position is.

3:30 p.m.

**Mr. McKessock:** You are aware, of course, that when an official plan is drawn up by a municipality, it has to be approved by the government, by the Ministry of Housing. This

would be the same with all official plans that are in the Niagara Escarpment area. It is not entirely up to the local municipalities. In fact, they can make up what they want but, if the Ministry of Housing does not approve, it goes back to them with a note saying, "Here are the changes you must make before we approve it."

**Hon. Mr. Sterling:** This government has stated in the past, and it is in the act as well, that the escarpment is something special in this province and the lands within that area cannot be treated the same as other land in Ontario. I have stated that unequivocally.

**Mr. McKessock:** But you can control it through zoning bylaws.

**Hon. Mr. Sterling:** I think I have stated that I do not think that is satisfactory.

**Mr. McKessock:** So with every piece of land, you want a group of people to decide what to do with it.

**Hon. Mr. Sterling:** I have not stated exactly what kind of structure I will have, and that will be part of my recommendation.

**Mr. McKessock:** It has to be one or the other, does it not?

**Mr. Chairman:** I think it will be part of his recommendation and his response to the report. I do not think there is any need for us to debate it here. We are talking on estimates, really. I do not think we are going to solve it here between two individuals debating. I do not think we are going to come up with an answer. You have made your point very clearly.

**Hon. Mr. Sterling:** And I think I have made my point, that I disagree with him, very clearly.

**Mr. Chairman:** When we receive your report we will know exactly your feelings on it and then we will have a chance to debate it.

**Hon. Mr. Sterling:** In terms of the hydro corridor, I believe the Premier assured members of the Legislature today that there would be an opportunity at the hearings that are going to be held on M3 for your constituents and the constituents of other MPPs—

**Mr. McKessock:** That is a Mickey Mouse way of doing it, though.

**Hon. Mr. Sterling:** That is what is being proposed and that is what is going to take place.

**Mr. McKessock:** Unless somebody takes it to court.

**Hon. Mr. Sterling:** Of course, that remedy is always available to the citizens of Ontario if they want to attack any procedures, Mr. McKessock.

That is what the government is proposing to do to handle the situation in dealing with the complaint that sufficient notification was not given before.

I might add, if we went back to the first stages of the hearing, the costs would be enormous in terms of the loss of time in constructing an eventual corridor to central Ontario from Bruce.

**Mr. McKessock:** Nobody said democracy was cheap.

**Hon. Mr. Sterling:** I am thinking of the red beef producers and the kinds of subsidies that we also can provide for them when I am talking about money. I am not only talking about money for producing hydro or delivering hydro. We are also talking about the resources we have for the red meat industry.

In the past, our government has had various assistance programs, of which you are well aware. These were to help not only the red meat industry, and in particular the beef industry. I believe two or three years ago we had a special subsidy—was it on calves?

**Mr. Wiseman:** All three.

**Hon. Mr. Sterling:** All three: calves, stockers and—

**Mr. McKessock:** That was in the past, let us talk about 1983.

**Hon. Mr. Sterling:** As you know, there is the new program in 1983, the beginning farmer assistance program, which has been just announced and which is retroactive. The Ontario farm adjustment assistance program has just been extended again. In fact, the largest users of that particular program are beef producers.

As you also know, on a number of occasions the Ontario Cattlemen's Association has turned down the supply market scheme; that is their choice. Both the federal minister and, I believe, the provincial minister, who, when this was dealt with, was the Honourable Lorne Henderson, both of them said openly they supported a supply market system and were willing to implement such a system. That was turned down by the producers. So they acted in compliance with what, in fact, the producers wanted.

**Mr. McKessock:** I will tell you one thing. They will not turn down a program like the Progressive Conservative government in Saskatchewan has given to the farmers, or the program the government in Quebec has given to the farmers in that province.

**Hon. Mr. Sterling:** I think our minister has attempted to get the federal Minister of Agricul-

ture to come into a stabilization program, and only recently has the federal minister come along with that. If he had acted two, three or four years ago, when we started asking him for it, I suggest the problems you are now identifying with the beef producers would not exist.

**Mr. Laughren:** They are both passing the buck.

**Mr. McKessock:** We have to look at the situation as it is today or we will lose our industry. That is my point; we are going to lose it to other provinces.

**Hon. Mr. Sterling:** I am suggesting that we have attempted to meet the situation with a variety of programs.

**Mr. McKessock:** Okay. We are in a crisis now. What is going to happen?

**Mr. Laughren:** What excuse are you going to use when Mulroney is the Prime Minister?

**Hon. Mr. Sterling:** I do not think we will have the same problems then. It is hoped that a new look at agriculture at the federal scene will resolve some of the problems we have had in the past.

I consulted when Mr. Wiseman was very much involved in the formation of some of the subsidy levels that were set on the stockers and the calves. John Lane, another member of this committee, was also involved on it to some degree.

Actually, I sat on that small subcommittee of cabinet. We talked about that program, and the interest assistance program as well. We are cognizant of the problem with the beef industry and I would hope the Minister of Agriculture would continue to look to viable alternatives to meet the immediate situation which, I believe, was not created by the government of Ontario.

**Mr. McKessock:** I have one question on the young farmers' program. There are many problems with that, but one was brought to my attention this week.

A young farmer who came into the office said the Farm Credit Corp. told him he did not qualify for it. He had rented a farm previously but he has never owned one. I cannot see the difference between a fellow who has rented a farm in previous years and one who has worked with his father in previous years. Apparently, you are at home working with your father but have no capital investment in the farm you are eligible. If you rent a place you have no capital investment in it either, other than your stock which a farmer's son probably has too. That seems to be a little unfair.

**Hon. Mr. Sterling:** I would have to take up a particular matter such as that with the Minister of Agriculture and food (Mr. Timbrell). I am not sure of all of the qualifications involved. I do know that the Farm Credit Corp. is involved and the approvals have to go through that organization.

**Mr. McKessock:** There is no problem with approving it through the other organization. This is a provincial program and if it is approved there—

**Hon. Mr. Sterling:** I suggest you write to Mr. Timbrell on that matter. It may be just an oversight in terms of setting up the criteria for the program. They may be able to resolve it very easily. Have you written to Mr. Timbrell about it?

**Mr. Wiseman:** This program is for full-time farmers.

**Mr. McKessock:** He was not full-time, but he is going to be now.

**Mr. Wiseman:** Then he was not a full-time farmer.

**Mr. McKessock:** You mean you had to be a full-time farmer before? I thought this program was for—

**Mr. Wiseman:** He may be a full-time farmer now, but you mentioned he was renting before; speaking for myself, even though we farm, we are just part-time farmers.

**Mr. McKessock:** He was a part-time farmer before, now he is a full-time farmer.

**Mr. Stokes:** Why do you not have this conversation on your own time?

**Mr. Wiseman:** This is very important to us farmers.

9:40 p.m.

**Hon. Mr. Sterling:** Mr. Chairman, I suggest Mr. McKessock write to Mr. Timbrell and try to—

**Mr. Chairman:**—pursue the inquiry.

Mr. McLean, did you have a supplementary?

**Mr. McLean:** Just a short one. I was curious to know if the secretariat makes recommendations to the Ministry of Agriculture and Food on some of these programs.

**Mr. Stokes:** Just the hot items.

**Hon. Mr. Sterling:** Generally, if a matter comes to my attention, I try to resolve it either informally with the minister; or if it is a matter of major significance, I can raise it at the cabinet committee on resources development. Then there is always the informal part during the cabinet meeting. It is an area of interest to me

because of my constituency, so usually I get involved in agricultural issues as well.

**Mr. McLean:** Maybe your secretariat could find out for me the amount of money the federal government gives to the Quebec farmers in subsidy dollars and the amount of money it pays to Ontario in subsidy dollars?

**Mr. McKessock:** I could tell you that. We had the figures here a year ago and much more was given to Ontario than to Quebec.

**Mr. Wiseman:** I just wonder, if the stabilization program does not come along this fall, and it is not likely it will, are you free to give any information as to whether there has been any discussion along the line Mr. McKessock mentioned of a payout for farmers on their 1983 livestock year in order to hold them in? I have some concerns that a lot of good farmers will not be around a year from now.

**Hon. Mr. Sterling:** I have not heard of any program to date.

**Mr. McKessock:** Will you bring this to the attention of your resources development cabinet meeting?

**Hon. Mr. Sterling:** I will certainly bring it to the attention of Mr. Timbrell and say it was a concern of the members here.

**Mr. Chairman:** I think that responds to Mr. McKessock's concerns for the time being at least.

**Mr. Laughren:** Mr. Stokes has left so I guess I am next. I want to comment on a couple of things. Of the total budget of the provincial secretariat, which is almost \$3.4 million, about a third is for salaries and wages. I was having difficulty finding out what the rest was, but when I looked at the actual numbers, I could see the Niagara Escarpment Commission was \$1.7 million and the balance for the secretariat was \$1.6 million.

It occurred to me that if they ever took the commission of—I almost said the northern environment; I would not want to do that to the provincial secretariat, that is, put the Royal Commission on the Northern Environment in it. If they ever took the Niagara Escarpment Commission responsibility away from the secretariat, you would have enormous difficulty justifying your existence.

**Mr. McKessock:** Is that why they are keeping the commission?

**Mr. Laughren:** That could be, although I must say I too believe the Niagara Escarpment is

a unique and very precious resource that must be protected in a unique way.

You mentioned earlier about having the chairman of the Niagara Escarpment Commission here. I know my colleague the member for Welland-Thorold (Mr. Swart) has done a enormous amount of work and keeps in very close touch with the commission people and interested people on the escarpment, and I know he would like to talk about the escarpment on Thursday evening. I did mention it to the member for Halton-Burlington (Mr. J. A. Reed) of the Liberal Party today and he indicated that he had no problems with that.

**Mr. Chairman:** Might we ask Mr. McMullin to appear before us on Thursday evening?

**Mr. Laughren:** I think they would like that.

There are a number of areas that concern me about the secretariat and I think it is indicative that the provincial secretary does not seem to get himself involved in many of the ministries. When you look at the list of ministries under the umbrella of the secretariat, they are terribly important ministries.

The ministries of Agriculture and Food, Energy, the Environment, Industry and Trade, Labour, Municipal Affairs and Housing, Natural Resources, Tourism and Recreation and Transportation and Communications, are incredibly important and expensive ministries in the province. Yet if I was to guess at how the provincial secretary spends his time, I would guess that he is at meetings from morning until night. You know what meetings do to you.

**Mr. McLean:** Sharpen you up.

**Mr. Laughren:** You show me a meeting that ever sharpened anyone's brain and I want to go to it. There are a number of areas that I wish the provincial secretary would involve himself in in a serious way because of the very nature of the issues. I am thinking of issues that cross ministry lines where I think there is a really significant role.

The Niagara Escarpment is a good example. I think it is important that a secretariat be involved. If you are going to have secretariats, I would have thought that land-use planning would have been a good one as well, although I know the Ministry of Natural Resources took that under its wing and did it mainly because it applied mostly to northern Ontario. I understand that, but I always did think that would have been a good role for the provincial secretariat.

Another area that bothers me, and there are a couple, is the whole question of one-industry

communities. I think that is an area that crosses the different ministry responsibilities. There was an example in my own riding, and I am sure there are examples elsewhere, where a forestry community was being shut down by the company, in this case, E. B. Eddy Forest Products Ltd. Ramsey was the name of that community up near Chappleau.

I was writing with no success to the various ministers; the Minister of Northern Affairs (Mr. Bernier), whom you would have thought would play that umbrella role in the north but did not; and the Minister of Natural Resources (Mr. Pope) who said, "No, the company has the right to shut down its town site." Legally, I guess they did have, but no one was there to take a look at the ramifications of doing that beyond the interests of the company. Both Northern Affairs and Natural Resources tend to think more along the lines of the forestry companies and not about what the ramifications are in terms of housing or the sense of community. Some of those people have lived there 20 years or more. I was very disappointed there was not even an effort made to have a proper discussion with the company to try to keep the town there.

Another area, which is a little more sophisticated and a little more complex, is what you do in a community that is not one industry but which is dependent primarily on one industry. I am thinking of Sudbury, believe it or not. The city itself has about 95,000 people and the region has over 150,000 people. Yet when economic problems hit a couple of years ago—I suppose you would want to challenge me on this—there was no significant action taken on the part of the Ontario government in order to prevent or to decrease the dependence in the community on the mining industry.

Some things were done, such as the science centre for northern Ontario, Science North. Some money was put into that, but not into what I would call the wealth-producing sector, which is manufacturing and so forth. I was very disappointed because my colleague the member for Sudbury East (Mr. Martel) and I put together a proposal called, A Challenge to Sudbury. We worked very hard at it and we presented the document to the provincial and federal governments and the regional council. No one challenged us on what was in the document because nobody felt the need to challenge it. They could simply ignore it without saying what they would choose to ignore our suggestion which were based primarily on government documents that over the years various govern-

ment ministries and agencies had proposed as a partial solution to Sudbury's long-term problem. 9:50 p.m.

We took all these documents and proposals off the shelf and put them into a document and said, "Why don't we do this? Why don't we make it a different kind of future for Sudbury?" I am not talking about all public ownership or anything like that; I am talking about a mixture of economic development in the Sudbury basin. This government, to its everlasting discredit, did not do it. It did not take it seriously, and one wonders why opposition members have a sense of—maybe I am speaking for myself—pent-up anger and frustration as time goes on. I know I certainly have.

A week ago today I engaged in an act of civil disobedience that I hope to engage in again because of the housing problem in Sudbury.

**Mr. McLean:** Shame.

**Mr. Lahren:** That is your opinion. I am not taking you seriously either. I will deal with that problem in a few minutes.

When governments that have a majority choose not to respond to opposition members because they are opposition members and because it is a majority government, that does not speak well of the government. You did yourselves no credit by the very high-handed and arrogant way in which you responded, namely by ignoring the very serious set of proposals.

What we were saying was, "For heaven's sake, take some of these proposals that you yourselves have made off the shelf and implement them." But no, at this point it would be seen to be coming from the opposition so you could not do that.

I will give you some of the examples. There was published in Sudbury about five years ago—I do not know the exact year, but I could dig it up—a document called *Towards a Nickel Policy for Ontario*. It was in 1977. In that document they suggested there should be a nickel institute in Ontario—and, of course, that would in all likelihood be in Sudbury—that would do an independent geological survey of mineral resources in the province, including nickel, and that would do work on research on new ways to increase the domestic consumption and production of nickel-based products. We thought that was a good suggestion. It came from the Ministry of Natural Resources document, *Towards a Nickel Policy for Ontario*.

We thought it was time you ended the processing exemptions to Falconbridge and Inco.

To this day, in 1983, all of Falconbridge's production is shipped to Norway for refining. We do the dangerous work digging it out, and the dirty work, the smelting, here in Ontario in Sudbury in this case, and we ship it to Norway for refining. We said, "It is time to end that. We have had enough of that." Also, that whole idea of a new refinery for platinum group metals in Sudbury came from an Ontario government document, the same one. There was no response on that either.

There are other things such as the establishment of a joint venture machinery manufacturing facility in Sudbury. That has not been done. What did you do? You established a resources machinery development centre in Sudbury which will never produce a single bolt for a machine, let alone a machine itself. It is not meant to do so. That is the kind of response you give when we ask for mining machinery.

Your government was embarrassed over the years as we trotted out the numbers on machinery imports into this province year after year. It was getting a lot of publicity in Sudbury and elsewhere, and the Ontario government was embarrassed. What do they do? They engage in a little smoke and mirrors and establish a resources machinery development centre as though that is going to do anything. It has as much relationship to the production of mining machinery as a menu does to a meal. It was not the kind of serious response that Sudbury needed and needs to this day.

There is the opportunity to produce fertilizer, using the sulphur dioxide at Sudbury and the phosphate deposits up near Chapleau and in Cargill township up near Kapuskasing. There was absolutely no response on that. That all had to do with the resource base. We said, "We do not want to get into the position of being forever locked into that resource because it is a non-renewable resource; we should be looking at new opportunities too."

We divided it up into two sections and called the other section new opportunities. We thought there was a tremendous opportunity to set up the Sudbury basin as a model for energy conservation in which we could produce energy-saving equipment and products, to use it almost as a pilot project to see what could be done in that field.

Energy conservation is very highly labour-intensive and it could have been done through Ontario Hydro. We would not have needed to set up a big new crown corporation if we did not

want to. It was a beautiful opportunity to do something useful in northern Ontario.

We talked about utilizing the agricultural land in Sudbury. It comes as a surprise to a lot of people, but there is some good agricultural land in the Sudbury basin. In years gone by we produced first prize potatoes in a worldwide contest. There are other good agricultural crops up there, as well as food processing. People tend to dismiss that but there is an opportunity for that.

There was a federal-provincial committee set up to look at replacing health care imports into Canada; I think it involved all the provinces and the federal government. Since they had already indicated that is an area of concern and were co-operating with the federal government to see what could be done, we asked why not establish a facility in Sudbury to replace health care imports? In a country that has medicare it is dumb to be importing health care products. The federal government understands that and the province does too, I assume, or they would not be co-operating on this project. Again, we asked why Sudbury could not be used as a model.

Our final suggestion was to establish a facility, either by the crown or through a joint venture with the private sector, for producing merchandise used in our institutions, for example, in all our government buildings.

I remember a very fine presentation by the Liberal member for Prescott-Russell (Mr. Boudria) on imports into Ontario. I think it was a government member—by golly, it was the chairman of this committee—who introduced—was it a private member's bill?

**Mr. Chairman:** A resolution.

**Mr. Laughren:** A resolution to encourage import replacement, was it not? Mr. Boudria stood up—and it was one of the better presentations I have seen during private members' hour—and pulled out of a cardboard box—

**Mr. Chairman:** Show and tell.

**Mr. Laughren:** It was show and tell—with every conceivable product from his office and other offices around this Legislative Assembly, which were imported items the government was buying through its catalogue system but which are produced in Ontario. I am sure the chairman was embarrassed. I am sure he did not know the government was so silly as to be buying all these imported products that were made in Ontario. It was a fine presentation, and I actually felt sorry for the chairman because of his embarrassment.

**Mr. Chairman:** That's all right. I did not really need your sympathy.

**Mr. Laughren:** You did not need it, but your embarrassment was so obvious.

Anyway, that is the kind of thing I would like to see the secretariat get involved in; looking at those kinds of issues that cross all sorts of ministerial boundaries. I know it is a tall order. I do not know if the secretariat has the kind of clout that would allow it even to venture into those areas. King Leo might take offence that you were encroaching upon his territory, but you should tell him the French River is not a moat, that you have a right to cross it, venture into the wonders of northern Ontario and see some of the problems in those one-industry towns, because this government has played games with the one-industry community issue.

10 p.m.

In a quiet moment over a sarsaparilla, as I do not expect you to do it here—sorry, a glass of milk since we have a farm community here—I am sure you would agree that the government made all sorts of political promises on one-industry communities, set up a committee and so forth but did absolutely nothing. That is an area where I could see a role for your ministry, but you have not done it.

With regard to further areas, I found it absolutely fascinating that the provincial secretary would lead off his remarks by talking about the right to privacy. That really did my head in, considering that one of the ministries under his jurisdiction is Natural Resources where the Minister of Natural Resources in his former incarnation was the Minister without Portfolio responsible for freedom of information and is now denying us information on public forests and public lands. I would like to know what the policy of the secretariat is on freedom of information on something like that. It blows my mind.

I have a letter here from Mr. Fullerton director of the forest resources branch, who says to me, "I will provide you with the collection of data you requested on the following nine licensed cutting areas." He gives me the list and says, "We will contact you shortly with an estimate of the time it will take to prepare the information you outlined in items one to four in the previous letter."

We, as a caucus, taking our role seriously which in a way we did when we established task force on forestry, decided to do some work on the regeneration issue of our forests, prima

ily in northern Ontario. As soon as we started moving on the problems, creating a bit of a stir and releasing figures which we obtained from the Ministry of Natural Resources—there is only one place to get province-wide figures on regeneration in this province and that is from the Ministry of Natural Resources—as soon as we started releasing those figures, doing media work across the province and having public meetings, we were told we could not have the information which had been promised to us.

You would have to be a real innocent to think there was no relationship to the fact that the Ministry of Natural Resources was responsible for the last 20 years for regeneration and the fact that it now decided we could not have access to that information, to information on public forests, on public lands. Those forests belong to the people and the lands are crown lands. The companies said they had licenses to cut on them. I would like to have a response from the minister when I am finished about how he justifies withholding information that does not affect the competitive positions of the companies, and if it does, that should speak volumes to you about what kind of regeneration record there is out there in Ontario.

I do not know when I have been so outraged about a government thinking that this province is theirs and no longer belongs to the people. Maybe it has something to do with your 40 years. I do not know that, but you tell me how you justify withholding information to elected members of the public at large on public forests and on public lands. That is completely beyond my comprehension. It could only happen when governments start thinking that they own the province and that they are not just representatives of the people of the province.

**Mr. McKessock:** It's the big mortgage they've got on it.

**Mr. Laughren:** Maybe that is what it is, but that is really obvious, and coming from the minister who was previously responsible for freedom of information I found it absolutely incredible. We have not heard the end of it yet. The Minister of Natural Resources' estimates are coming up before this committee.

**Mr. Chairman:** In two weeks' time.

**Mr. Laughren:** It will be very interesting to hear the minister's blustering before that committee, because that is what the Minister of Natural Resources does when he gets pinned down. He thinks a good defence is a strong offence.

That is an area where I think the provincial secretary could play a role. Why are these ministries under his umbrella behaving this way? I know yours is not a line ministry, if that is the in-language you use, but surely you are more than just a token as provincial secretary. Surely you can influence ministers who take it upon themselves to withhold information for their own purposes. There is no other reason.

If he says it is for competitive reasons, then he is not being forthright because we have talked to the companies and they do not care. It is only the minister who cares. It is only because the Ministry of Natural Resources was responsible for reforestation for the last 20 years. Yet the minister has the nerve to pretend it has something to do with confidentiality when it does not.

Given our system of government with the very precise ministries, we tend not to see certain problems as overlapping. I see housing as overlapping in any number of areas. Whether it is land, social policy or economic policy, it really does overlap and, besides, housing is within this minister's purview.

We have a housing problem in Sudbury. We have had people living in tents. These are low-income people. About two weeks ago there was a family living, I think, with a relative. Other relatives moved in with them and they had to move out because there simply was no room. They are a family with two children. This family, and the Landrys is the correct name, was moved into a motel. People were digging into their pockets to pay out money to pay for the motel. That was unacceptable and could not go on.

By the way, I am using this family as a symbol because they are very real, but there are others. You can imagine what the unemployment rate is in Sudbury now and unemployment insurance benefits are going to be running out. While this is happening to people with these kinds of problems, Canada Mortgage and Housing Corp. has in the city of Sudbury 12 units it owns in the region or district. I am not sure what they call it, but it is a fairly large district. It does not just mean the regional municipality of Sudbury. There are 90 houses they own and which are vacant. There is one house in Sudbury they own which they repossessed from an unemployed previous Inco worker. They repossessed the house. It was sitting there empty for two and one-half months.

Last Tuesday I and a group of other people moved that family into that house, which was unoccupied. CMHC went a little strange. They

thought this was not right, that this was breaking the law. I know what kind of law it is breaking. That family is still in that house right now. By the way, I was worried the police would lay charges of trespass against them. I do not know whether you were in the Legislature when I asked that a moratorium be declared on trespass charges against families that move into unoccupied government-owned homes. That is what I asked for.

**10:10 p.m.**

The Attorney General (Mr. McMurtry) skated all over the rink and said he would not do that. I should not say he skated, but he said he would not do that. He gave a long rambling answer. Today that family was told that it was not going to be—

**Hon. Mr. Sterling:** I do not think that is being quite fair to the Attorney General. He did say it was not within his purview to control who the police charge or do not charge. Quite frankly, you asked the question of the wrong minister.

**Mr. Laughren:** Yes, and when I tried to redirect the question to the Solicitor General (Mr. G. W. Taylor), the Attorney General refused me permission to do that. That should tell you something.

**Hon. Mr. Sterling:** That was after the second supplementary.

**Mr. Laughren:** No, no. At any rate, that is a red herring.

This afternoon the police did not come in and say, "We are going to charge you under the Trespass to Property Act." They said, "We are going to charge you under the federal act," which is called something like the mischief to public property act; it has a much more severe penalty, which includes a very severe fine and a period of seven years in jail. So that family is going to have to move out of there tomorrow.

As long as you have a system that tolerates homeless families and government-owned empty houses, I will encourage those people to break the law by entering empty houses, and I will help them. It is not just me—I am not some kind of martyr—but I think that is justice, not a stupid law that makes no sense whatsoever. The federal government passes the buck to Ontario, and Ontario passes the buck back to Ottawa. It is the most blatant buck-passing act I have ever seen while families are homeless.

Do you know how stupid it is in Ontario? In the Sudbury area there are 260 families. You need 100 points—which is the most points you can have—to qualify for subsidized housing.

Sixty points is what most people consider to be dire need. There are 260 families with more than 60 points. If you get an eviction notice, that is worth 20 points. If you have no home, it is not worth any points.

Presumably, if I read it correctly, you would have 20 points towards your point system to get into subsidized housing when you got evicted, but once you are evicted you lose those 20 points. Now I ask you, is that not a stupid system?

You wonder why people get angry, frustrated and do things they would normally never do. I do not blame that family, or anybody else who helped them move into that home. I assume that Canada Mortgage and Housing Corp. is very concerned about this happening again. I am sure that is why they moved in with such a heavy hand—a legal fist, as it were—to lay the federal charge and not the provincial charge of trespass. That would be my guess. They are trying to make an example of this family that they bloody well better move out of there.

If that family goes anywhere tomorrow but to a public building, I will be very disappointed. If they do not go to the regional council chambers, the local office of the Ministry of Municipal Affairs and Housing or the local office of the Ministry of Natural Resources—I do not care where it is, I will be very disappointed if they do not move into to another government dwelling, institution or building. I think it is outrageous when we let the silly bureaucracy determine that they cannot move into that empty house even though it is owned by the government.

How silly can we be when we have families with children and we say, "You cannot move into that house because CMHC owns it, does not want to rent it and wants to sell it and the Ontario government will not provide the rent supplement to move them in there"? What could be easier than to have the Ontario government saying: "Move in. We will make up the difference in the rent supplement. You pay a certain amount for your rent and we will make up the difference in the rent supplement"?

The Ministry of Municipal Affairs and Housing is within the ambit of this secretariat.

There are a number of areas I want to comment on, but I do not want to go on too much longer. Labour is one area, including the compensation system in this province, but I think I will let it go except to say that if there is one law in Ontario that sets working people apart from everyone else in the province it is the Workers' Compensation Act.

When I was meeting with the injured workers' groups—many other members here have met with them as well and probably the minister has too—what came through to me was that the injured workers do not trust the board. I am going to talk about this when we eventually debate the Weiler report and the proposed changes. But regardless of the proposals being made and regardless of who they are being made by—the Liberals, the New Democratic Party or the government—the injured workers in this province do not trust the board to implement them fairly.

Even if a great idea is presented—and I have presented them with alternatives and asked what they would do if they had the choice of all these systems—do you know what they do? Their minds immediately start clicking about how the board will screw them under that proposed system or that alternative. It is immediate. That is what so terribly wrong and what makes it so hard for a committee like ours to deal with changes to the compensation system.

I know that when this committee's report is tabled and debated in the Legislature, I am going to get some very scathing and sarcastic comments from the members of the government party and from the Liberal members. I know I that is going to happen because of the dissent we are putting in. But what turned me around on the dissent and made me decide there was no sense in trying to put a few more Band-Aids on your system was the attitude of the members of the government party when we were drafting the report. That was what did it, and I hope there are some comments made during the debate.

The final point I want to make has to do with the wetlands policy. We have no policy in Ontario, despite repeated promises. I believe a draft policy went from the Ministry of Natural Resources to something like an interministerial committee on land use—I do not know what the proper name of it is; God forbid that I would even want to know—and that interministerial committee rejected the ministry's proposals for a wetlands policy.

They are way overdue on this policy now—I am not telling the provincial secretary that—that just went there this year and was rejected this year, I gather. Now, if I understand it correctly, the Minister of Natural Resources (Mr. Pope) has said: "Oh, you dirty guys, we put a lot of work into that and you reject our policy. So we are going to go directly to cabinet. We are not going to deal with this silly interministerial

committee any more. We are going to take it directly to cabinet. We are doing an end run around this committee." That is my understanding of it.

Now, as those in the know call it, the CCRD, the cabinet committee on resources development, is looking at the policy. Am I correct so far in all my nuances?

**Hon. Mr. Sterling:** I do not know, but I will answer you at the end.

**Mr. Laughren:** Okay. I know that everything comes to those who wait, and I know that the fullness of time is a short time frame in Ontario, but I would like to know when we are going to see a policy on wetlands. You are causing yourself more anguish by sitting on it and diddling and dawdling than you would be if you had some courage and came out with a wetlands policy. It is really silly the way you have played with this issue.

I could understand it when Lorne Henderson was the Minister of Agriculture and Food and then was promoted to the Provincial Secretary for Resources Development. I could understand then why there were problems, but I do not understand it now, when Dennis Timbrell is the Minister of Agriculture and Food and Mr. Sterling is the Provincial Secretary for Resources Development. It seems to me that you would now be able to stand back between the two of you, with a very objective view of the value of wetlands and how that can be implemented without offending every farmer in Ontario. I understand that problem. But I do not understand what you are gaining by sitting on that policy.

**10:20 p.m.**

Anyway, I shall cease my remarks there. There are other things I would like to talk about. Wild rice is an area that has bothered me a great deal over the years and you have not handled that well. But Mr. Stokes will be dealing in much more detail with the native affairs question and my colleague Mel Swart with the whole question of the commission on the Niagara Escarpment.

**Mr. Chairman:** Thank you, Mr. Laughren, for those remarks. I think it is a good time to start the response.

**Mr. Laughren:** Oh, I timed it that way.

**Hon. Mr. Sterling:** One of the things that I believe should be understood, and perhaps it allows the discussion in this committee to be not as fruitful as it could be, is that I am the secretary of a policy field that has 10 ministries

in it. thus I fear that when you home in on a ministry and talk about an individual policy within that field, it is probably not fruitful for either you or me in the kind of response I can give on behalf of a minister.

I agree with you, Mr. Laughren, when you say that I should be seeking areas where there is some joint jurisdiction, either within the policy field or where the ministry's subject or issue covers several ministries.

The other qualification I would put on that kind of mandate for the secretariat would be in the area where a ministry has already picked up a particular issue and is running fairly rapidly with it. I do not see any reason for the secretariat to jump in, in the middle of the issue, and muddy the waters and slow it down by having another hand in the pot so to speak.

When I was the Provincial Secretary for Justice, I undertook a number of initiatives which I think sort of filled that mandate. One was the Young Offenders Act. I saw that there was a void and a problem associated with the implementation of the Young Offenders Act because it dealt with the Ministry of Community and Social Services, the Ministry of Correctional Services, the Ministry of the Attorney General, the Ministry of the Solicitor General and, to a smaller degree, the Ministry of Education as well as the federal government. Seeing a role that I could play as the Provincial Secretary for Justice, I jumped into that issue.

In fairness, I have been in this position for only a short time and these issues tend to crop up at various times in our history. I would hope to see those kinds of issues emerge and I would hope that I and my staff would be quite willing to jump in and take hold of them and run with them when the response is needed.

Another one that I picked up and I hope is going to come to some fruition very shortly is the joint report on domestic violence to the standing committee on social development. Long before Mr. Shymko asked the various ministries to prepare a response, I had asked the various ministries to prepare a co-ordinated response because I felt domestic violence was an important issue that had to be addressed in some co-ordinated fashion. I think you will see that in the final analysis, by carrying the issue in that way, a lot more will be done in the area of domestic violence than would have been if various lay ministries had brought in a scatter-gun approach and had dealt with one or two of the 44 recommendations in that report. So I

think there is a valuable role the provincial secretary can play.

I was interested, quite frankly, in your comments about one-industry towns or towns that rely on one industry or on the offshoots of one industry. I have one of those in my own community, the town of Cardinal, which relies very heavily on Canada Starch. But it is not the same situation where you have isolated or remote communities as you are talking about in the case of both Ramsey and Sudbury, which are remote to some degree as well, because they are not near a lot of other populated areas or areas within, say, commuting distance to seek employment.

With regard to the responses of the Minister of Natural Resources to you on reforestation, quite frankly I am not familiar enough with them to respond. I think you should put those questions to him directly in his estimates on November 15.

**Mr. Laughren:** I did not expect a response to the letters I wrote. I was hoping more for a response on the whole idea of government secrecy and freedom of information on public information.

**Hon. Mr. Sterling:** I have stated before, and I stated in the Legislature today, that I do hope to have some kind of access legislation in place some time in the future. You know that I have been at it a long time.

**Mr. Laughren:** Yes, I do.

**Hon. Mr. Sterling:** You made some comments about being frustrated yourself, being a member of the Legislature. May I only say that frustrations are not confined alone to opposition members. They are also felt by members of the Legislature in the government party. They are felt by everybody in this institution. As I say, I hope I can address that in some way. I think you should make the specific charges directly to Mr. Pope so that he can answer them.

**Mr. Laughren:** I just might do that.

**Hon. Mr. Sterling:** In terms of the housing problem, which I know you are very much involved in not only as a politician but also emotionally, I can understand your feelings but I do feel that is an issue I should take under consideration until I know more about the specifics.

**Mr. Laughren:** Deal with wetlands, then.

**Hon. Mr. Sterling:** The area of all these matters that you have raised really involve on

ministry with one policy and, therefore, the matters that you are—

Interjection.

**Hon. Mr. Sterling:** You are talking about housing.

**Mr. Laughren:** But housing is social policy that overlaps into resources policy.

**Hon. Mr. Sterling:** You can relate just about any of the resource ministries to a social policy as such, but I think housing is clearly enough defined within the Ministry of Municipal Affairs and Housing for that minister to be clearly responsible.

**Mr. Laughren:** Maybe it is different for you when you talk to Claude Bennett from the way it is for almost everybody else in the world.

**Hon. Mr. Sterling:** Maybe his attitudes are not in agreement with what you believe should

or should not be done. I am only saying, in terms of my responsibility as the provincial secretary and his responsibility as the Minister of Municipal Affairs and Housing, who should be responsible for it.

**Mr. Laughren:** The area of wetlands, God help us.

**Hon. Mr. Sterling:** In terms of the wetlands policy, I would like to know, Mr. Laughren, you are going to be here tomorrow morning?

**Mr. Laughren:** Yes.

**Hon. Mr. Sterling:** Could I respond to that part so the members could leave at 10:30 tonight and so I could give you a better answer?

**Mr. Laughren:** Very well.

The committee adjourned at 10:30 p.m.

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# Hansard

# Official Report of Debates

## Legislative Assembly of Ontario

### **Standing Committee on Resources Development**

Estimates, Provincial Secretariat for Resources Development

**Third Session, 32nd Parliament**

Wednesday, October 26, 1983

Speaker: Honourable John M. Turner

Clerk: Roderick Lewis, QC

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# LEGISLATIVE ASSEMBLY OF ONTARIO

## STANDING COMMITTEE ON RESOURCES DEVELOPMENT

Wednesday, October 26, 1983

The committee met at 10:25 a.m. in room 228.

### ESTIMATES, PROVINCIAL SECRETARIAT FOR RESOURCES DEVELOPMENT

(continued)

**Mr. Chairman:** I guess we see a quorum. We called Bernie Newman's office, and his secretary is not sure whether anybody will be down shortly or not, so we shall proceed. I think we are ready for you, Mr. Stokes.

**Hon. Mr. Sterling:** Before Mr. Stokes has an opportunity to proceed, I did indicate to Mr. Laughren that I would respond early this morning to his question as to where the issue of a policy on wetlands lay. Perhaps I could just go chronologically through what has been done.

In September 1981 the Ministry of Natural Resources distributed its discussion paper, *Towards a Wetland Policy for Ontario*, for public comment. The proposals in the paper included the establishment of a wetlands inventory and evaluation system, the development of a provincial policy on wetlands based on the municipal planning process and the co-ordination of a wetlands policy by the Ministry of Natural Resources.

Many briefs and comments came back from the public at large, and these were compiled in a report that was published by the ministry in 1982. At the same time, the Ministry of Natural Resources worked in consultation with Environment Canada and the Federation of Ontario Naturalists to develop an inventory of wetlands and a process for evaluating these areas. The evaluation process is currently being tested in different parts of southern Ontario.

**Mr. Laughren:** I am sorry. I did not quite follow that testing thing. Do you mind going over that? You are saying there was a draft.

**Hon. Mr. Sterling:** As I said, Environment Canada and the Federation of Ontario Naturalists developed an inventory of wetlands and a process for evaluating the importance of the wetlands areas. What they have done is taken selected areas in southern Ontario and they are trying the evaluation procedure out in those areas.

**Mr. Laughren:** So they are specific sites, presumably.

**Hon. Mr. Sterling:** Yes.

**Mr. Laughren:** That is public information as far as you know?

**Hon. Mr. Sterling:** I do not know where the evaluation reports stand. I think that will be dealt with in the next point I am going to make with respect to the overall policy for the protection of wetlands. It was basically what one would call experimental work in terms of saying, "What can we implement as an overall Ontario policy?"

10:30 a.m.

Early this summer the Ministry of Natural Resources briefed the land use committee on a policy for the protection of wetlands. As a result of those discussions, the ministry has worked with the staff of the Ministry of Municipal Affairs and Housing to ensure the options for the protection of wetlands are compatible with the Planning Act.

The culmination of all these matters will come before the cabinet committee on resources development, probably in the latter part of November. That is the present status of it. It is moving along in some manner.

**Mr. Laughren:** Almost at a breakneck pace.

**Hon. Mr. Sterling:** You realize it is not an easy policy to formulate.

**Mr. Laughren:** Seriously, I do understand the sensitivity of the issue, given the problem with agricultural lands, but I think it is time some balance was brought to the whole issue of wetlands. I mentioned this morning the phone call I got on the Glen Elbe drainage projects near Ottawa. It seems to me the longer you stall on the wetlands policy—I do not want to be unfair but I do not think one can call it anything more than a stall, given the length of time you have been wrestling with the whole question of a policy.

If I understand you correctly, the cabinet committee on resources development is the one that is going to make the decision on the actual policy. I am a little confused about that.

**Hon. Mr. Sterling:** Before the cabinet makes a decision on the policy, it will come through the

cabinet committee, which is the normal route for it to go. The cabinet committee can do a number of things with it. It can alter it. It can defer it. It can ask for different kinds of changes to it. It can recommend it to cabinet for approval as it stands or with alterations.

**Mr. Laughren:** Is that what the cabinet committee on resources development is doing now?

**Hon. Mr. Sterling:** The cabinet committee on resources development is a meeting basically of the deputies and the ministers. At this time, it has on it, say, the Minister of Energy, who sits on that cabinet committee. He has not addressed wetlands policy because he has not seen the cabinet submission that will be prepared by the Ministry of Natural Resources on the wetlands policy. Once he receives the submission, which will probably only happen a week prior to the CCRD meeting, he will have to establish his position on what he thinks as a politician or on what his advisers think of that policy.

**Mr. Laughren:** Before my entire metabolism turns to cement, as we work through this process, perhaps you could—

**Hon. Mr. Sterling:** It does not take long.

**Mr. Laughren:** Do you mean to turn it to cement? Perhaps you could enlighten me on this. Right now the individual ministries are still dealing with the proposal. Is it the proposal that MNR developed?

**Hon. Mr. Sterling:** That proposal has been worked through the land use committee chaired by Mr. Richards, who is sitting behind you. It is a ministerial committee—

**Mr. Laughren:** On land use.

**Hon. Mr. Sterling:** —on land use. That committee has been working with the principal component of the wetlands policy.

**Mr. Laughren:** Which is MNR.

**Hon. Mr. Sterling:** Which is MNR. They have been working with the various staffs of the Ministry of Agriculture and Food, the Ministry of Municipal Affairs and Housing and all the other ministries. The ministry people are well aware of what is going on in terms of the development of the policy. They may not agree with MNR in every case as to the policy they bring forward, but MNR listens to what they are saying and will develop a policy stance. When they bring it to CCRD, normally in a presentation like that they will try to resolve as many of the issues as possible before they get to us because they are fairly complex issues.

They may present to CCRD a number of

options in a number of areas where, as ministers, we would get an opportunity to pick and choose between one or the other. They will try to narrow down and bring the issues to a manageable number. In some cases, in some issues, when they come they do not bring everything all at once. They would not bring all of the detail, but at first blush they might bring the main issue or the main two or three issues in order to have the right to go back at the more detailed part of it.

**Mr. Laughren:** Mr. Wiseman has a supplementary, but just before that, I understand the committee on land use does the spade work with the various ministries and then presents a series of options to the cabinet committee on resources development, perhaps even a proposed policy. Then that cabinet committee says, "All right, this is what we are going to propose to go to full cabinet to be a policy on wetlands in Ontario." Is that roughly correct?

**Hon. Mr. Sterling:** There is one significant misunderstanding. While we chair the interministerial committee on land use, this is clearly a Ministry of Natural Resources matter in terms of bringing it to the committee.

Mr. Richards acts as the facilitator between the Ministry of Natural Resources and the other ministries and brings together the ministries that are interested in the issue. Therefore, although he is the chairman, it is not his responsibility to bring the policy to CCRD or present CCRD with the options. Mr. Richards, as my staff adviser on this particular issue, will present me with some separate options when they bring the policy to me.

**Mr. Laughren:** So you are saying that regardless of how the system works—I mean we have to know how the system works so we can make improvements on it when we are sitting there imminently—some time in November you hope to present a policy to the full cabinet.

**Hon. Mr. Sterling:** We know the Ministry of Natural Resources is going to present a policy to CCRD. Then, following the CCRD meeting, there will probably be a decision to present a policy to cabinet within a short period of time thereafter.

**Mr. Laughren:** Should that be in the calendar year 1983?

**Hon. Mr. Sterling:** It depends how much conflict arises at CCRD. All this preparatory work has come on.

**Mr. Laughren:** You know what is going to happen then. Unless you have a commitment

that you are going to have a policy this year, you are going to get shot down by the Ministry of Agriculture and Food.

**Hon. Mr. Sterling:** That could happen. I do not know how many of the problems have been ironed out with the Ministry of Agriculture and Food or whatever.

**Mr. Laughren:** The longer you leave it, the less relevant you become in terms of making the policy. I think Mr. Wiseman has a comment.

**Mr. Wiseman:** Just so I am clear on it, the wetlands we are talking about, the flood plain mapping and the fill line do not all go hand in hand?

**Hon. Mr. Sterling:** Not really.

**Mr. Wiseman:** I would think it would have a relationship there. If it does, Jim Taylor is just starting down the road listening to a lot of conservation authorities who are showing some concerns about flood plain mapping and fill lines and so on. That would not be ready, would it, until the new year? If we are talking about wetlands, filling and flood plain mapping, I would think that would all be kind of interwoven. If he went with a wetlands plan before that had finished, he might have to change it again. I think one would have to look at the whole picture. I honestly do not think Jim would be ready that fast, but maybe he will.

10:40 a.m.

**Hon. Mr. Sterling:** I imagine the two areas would overlap where wetlands are adjacent to a major river or a lake where there are flood plain mapping problems.

I think the wetland policy probably would address larger issues, that is, issues of conservation of wetlands in order for aquifers to be properly fed. It would have to do with conservation issues relating to wildlife and biologically significant areas of the province.

The flood plain mapping and flood plain regulations you are referring to probably have more relevance to the ability of a land owner to develop that land in whatever manner he would like. Granted there may be crossovers, but I think it depends on the decision that is made on the issue as to whether or not they conflict. It depends on the strength of the policy and how it is to be implemented.

If the policy overrides other kinds of restrictions and is very restrictive in what it says about how it is implemented, then it might have some bearing on what Jim Taylor is doing. If it is just a statement of policy, then it might not have any effect on what Jim Taylor is doing.

**Mr. Stokes:** What are you saying? I thought you were on the right track last night when you answered a question from me. I interrupted you, rudely, during your leadoff and you said, "I will answer it at the tail end."

The response you gave was like a breath of fresh air, from my perspective and my limited knowledge of the way bureaucracy works, whether in the Resources Development, Social Development or Justice policy field. You said that in areas where there were major problems you would take the initiative as the co-ordinator, the facilitator, for all the major issues in the Resources Development policy field.

Traditionally, the mandate was that you would take the lead if other ministries indicated there was a problem within their own ministry or in liaising or co-ordinating their responsibilities as they overlapped other ministries within the field. You were not waiting for them to come to you; you were going to them saying, "Come on, this is a problem; let us get moving on it."

**Hon. Mr. Sterling:** Yes, that is what I would do.

**Mr. Stokes:** That is not what I am hearing now as we talk about wetlands. This is not what I want to talk about, but it is the principle behind the thing.

**Hon. Mr. Sterling:** Au contraire. The fact of the matter is that this issue is going to be coming to my policy field within the next month. I have been told that by the Minister of Natural Resources (Mr. Pope). Therefore, I think it would be imprudent for me to meddle in that affair at this stage before I have heard what he is going to say or have seen what he is going to do or how fast it is actually going to become policy. I am worried about issues that have not been dealt with for a long time and where there is no glimmer of hope they are going to be dealt with in the near future.

**Mr. Stokes:** I remember my colleague raising this last year in this forum. If one can lend any credence to what he says, there is some urgency out there. It is even more urgent now than it was a year ago, yet you are still playing around with it. You are still waiting to see what policy will be developed by the lead ministry—in this case, the Ministry of Natural Resources.

**Hon. Mr. Sterling:** But surely, Mr. Stokes, if the Minister of Natural Resources tells me he is going to add something to my policy field in November, what do I do? Do I try to get him to have it by November 15?

**Mr. Laughren:** You know there are all sorts of vested interests out there that are very interested in a continued stall on the development of a wetlands policy, and you are playing right into their hands.

**Hon. Mr. Sterling:** You do not know whether I am playing into their hands.

**Mr. Laughren:** I certainly do. It is now a year since we talked about it and absolutely nothing has changed.

**Mr. Wiseman:** In fairness, though, he says it is going to happen next month.

**Mr. Laughren:** No, he did not say that. Ask him if you will, since you are the one who is rushing to his defence. Ask him when we are going to have a wetlands policy.

**Mr. Wiseman:** He answered Mr. Stokes. He said he hoped to have it in his hands for discussion in November.

**Mr. Laughren:** No, no.

**Mr. Wiseman:** I will let him answer for himself, but that is what I understood.

**Mr. Laughren:** Tell us when we are going to have a wetlands policy.

**Hon. Mr. Sterling:** We are going to have a proposed wetlands policy in front of the cabinet committee on resources development in November.

**Mr. Laughren:** You have one now. That is nonsense.

**Hon. Mr. Sterling:** Just a minute, I cannot predict, nor can anyone predict, what is going to happen at the cabinet committee on resources development.

**Mr. Laughren:** Right. But what has changed from a year ago? Absolutely nothing.

**Hon. Mr. Sterling:** Oh, yes, something has significantly changed.

**Mr. Laughren:** Yes. There has been more and more land drained.

**Hon. Mr. Sterling:** There is going to be a policy in front of ministers to make a decision upon.

**Mr. Laughren:** Talk about a bureaucratic maze.

**Hon. Mr. Sterling:** It is not a bureaucratic maze.

**Mr. Laughren:** It is.

**Hon. Mr. Sterling:** For me as a minister to make a choice, I have to have the choice put on the table. I have never had that choice.

**Mr. Laughren:** And so did your predecessor.

**Hon. Mr. Sterling:** There never was a choice on the table when my predecessor was in this position.

**Mr. Laughren:** Nonsense. What year was the discussion paper on wetlands tabled?

**Hon. Mr. Sterling:** In 1981.

**Mr. Laughren:** So here we are two years later and the only thing that has changed, aside from your bureaucratic meanderings, is that more wetlands have been drained, significant wetlands. That is all that has changed. I would agree with you that some things have changed, namely, the draining of more wetlands.

**Hon. Mr. Sterling:** No, that is not true.

**Mr. Laughren:** It is true.

**Hon. Mr. Sterling:** As I have indicated, the proposals went out. A lot of people had a lot of opportunity to comment on those proposals. The proposals were then formulated into some kind of policy. The ministries involved have been consulted, and now we are going to have, I hope, a position that will come out in an overall policy for the province.

**Mr. Laughren:** Would you give us a ball-park date of when you anticipate a wetlands policy for Ontario? I do not think that is an unreasonable request, given the time frame we have been operating under.

**Hon. Mr. Sterling:** If matters go their normal route, if there is the normal proceeding of a proposal that comes to CCRD, we are probably talking in the neighbourhood of a month to two months. If there is significant opposition and a real battle over some principles involved, it could be longer than that. That is as good as can guess.

**Mr. Laughren:** Then would it be fair to say that we should have a wetlands policy in the spring of 1984?

**Hon. Mr. Sterling:** That is not an unreasonable time frame to be looking at. But, as I say, I am subject to the other ministers making decisions. In the normal course of things, that would not be unreasonable.

**Mr. Chairman:** Have we finished with the wetlands?

**Mr. Stokes:** Very briefly, I want to find out what new focus the new Provincial Secretary for Resources Development is bringing to this secretariat. When one reads the mandate under order in council 2727/81, you are responsible for other things, but for purposes of my discussion with you this morning I want to deal with three specific topics. One deals with your native

affairs mandate, both a practical and a philosophical approach to just what you do. I want to talk about—

10:50 a.m.

**Mr. Laughren:** No, that is unfair.

**Mr. Stokes:** No, I think it is a fair question. I also want to talk about herbicides and pesticides and I want to talk about the fishing agreement.

You will recall some excellent debate on the constitutional amendment, which went through our House with a lot of comment, though the end result of it was unanimous accord for that very brief, halting but nevertheless significant step towards dealing with treaty and aboriginal rights.

I was glad to see the member for Cochrane North (Mr. Piché) get involved in it and I compliment him on his forthrightness in calling a spade a spade with regard to the conditions that he and I know so well in those northern communities. Nobody, including you, the minister who was responsible for putting the resolution on the order paper and the Minister of Northern Affairs (Mr. Bernier), really got involved in the debate to the extent of addressing the concerns expressed by the member for Cochrane North, the member for Algoma (Mr. Wildman) and others.

When you look at your mandate as it affects the affairs of native people, it includes the development of Ontario corporate policy; co-ordination of interministerial policy development; program delivery on special corporate projects; co-ordination of corporate communications; negotiations, including tripartite negotiations and mediation processes with native organizations, Indian bands, federal and other provincial governments and personal and corporate entities; monitoring line ministry policy development; and program delivery. Now that sounds just great.

**Mr. Laughren:** I don't know how one person can handle it.

**Mr. Stokes:** Yes. I do not know whether there is anybody in this room from the staff who is a spillover from the previous complement, but I want to take you back to an incident that occurred about a year ago.

The Northwestern Ontario Municipal Association came down to Toronto, as they are wont to do on an annual basis, and they had quite a sheaf of resolutions that dealt specifically with those responsibilities that fall within the purview of this secretariat. They were infuriated over the prospects of having an Indian fishing

agreement without consultation with them as a municipal organization. There were documents that were leaked to them through the back door by people who shall remain nameless.

I never saw such a spectacle in all my life. I was sitting there as a guest of those municipal representatives and your predecessor was chairing the meeting. The Minister of Northern Affairs, the Minister of Natural Resources and a variety of other people were there.

Highly regarded Tories from northwestern Ontario were pointing their finger at your predecessor, at the Minister of Northern Affairs and at the Minister of Natural Resources saying: "Notwithstanding what you have just said with regard to the way in which this Indian fishing agreement evolved, we do not believe what we are hearing. We are on our way to the office of the Premier (Mr. Davis) to explain to him at first hand how we feel about this whole process." That is history now.

After it became public knowledge and everybody had an opportunity to react to it, the Northwestern Ontario Municipal Association and some of its members went back and, in concert with other groups such as the Northern Ontario Tourist Outfitters Association and to some extent the Ontario Federation of Anglers and Hunters, decided to mount a concerted attack on the proposed fishing agreement. Where does it stand now?

The Minister of Natural Resources is going around making the bald statement, "For all intents and purposes it is dead." The federal government is saying—

**Hon. Mr. Sterling:** Do you have a copy of those statements? I have not seen those actual statements. I heard the allegations about his saying it is dead, but I wondered if you—

**Mr. Stokes:** I have heard him on radio.

The federal government is saying: "No, it is not dead. The Minister of Natural Resources is ill-informed. We hope to conclude an agreement with some minor amendments to that agreement in its existing form. The whole process is alive and well."

It reminds me of what you just told my colleague with regard to the wetlands. To what extent have you been involved specifically in your responsibility for communication with the federal government if you are serious about signing an Indian fishing agreement which, for the first time, puts some responsibility on native people for the conservation and management of our fishery resources in Ontario?

I am sure you know, and if you do not know I

am sure my colleagues the member for Algoma, the member for Cochrane North and the member for Nickel Belt (Mr. Laughren) know that, if you do not have some kind of formal agreement whereby you give them some responsibility for the management and conservation of that resource, it is not going to be around much longer.

When the Minister of Natural Resources made the statement you want me to verify, he said that as a result of charges that have been laid under the Game and Fish Act, recent court decisions have been favourable to native people. So the Minister of Natural Resources has no power under the Game and Fish Act or the Canada Fisheries Act to enforce those regulations as they affect our first citizens.

I hope this is not a revelation to you. As the Provincial Secretary for Resources Development, if you are specifically responsible for these really hot items—and this is one of the hottest I know of—where do you stand with regard to keeping that agreement on the rails, not only to meet a commitment that you made to the first citizens of our province, but for the protection of a very valuable resource in northern Ontario? It is important not only for food for our first citizens, so they can pursue their traditional and aboriginal lifestyle, but because it is also one of the few cash crops indigenous to the communities in which native people live from which they can make some money.

**11 a.m.**

It has such a profound effect on people's quiet enjoyment. We are going to be into the estimates of the Ministry of Tourism and Recreation this afternoon. Your colleague just unveiled a very excellent study of what it means in social and economic terms to have resources that not only are a benefit to everybody in the province from a social point of view, but also the tremendous economic impact that resources such as that have on recreation and tourism in Ontario.

Just what do you people talk about when you get together? Let me pursue it a little further.

**Hon. Mr. Sterling:** Do you want me to deal with these issues one at a time while you are talking about them, or are you going to another issue?

**Mr. Stokes:** I have these other estimates coming up this afternoon at two o'clock, so I want to get off my chest what I want to get off my chest before we recess for lunch. I do not care how you deal with them, but I have three

other issues. If you want to deal with that agreement right now, I will—

**Hon. Mr. Sterling:** The day after I was sworn into this position, I appeared on behalf of the government of Ontario on July 7 at a tripartite meeting with Mr. Munro. Treaty 9 was not there but the other chiefs were there. I stated our position then, and our position is still the same now.

We will stand by our signature on the agreement. It is up to Mr. Munro to come to us and to the native peoples with his position. We do not know what his position is. We have quite clearly stated ours by signing our name to that document. We are not going to renegotiate what may be the federal position down the road. Mr. Munro indicated to me at that meeting that he was having some problem with the federal Fisheries minister in terms of the negotiated terms in that agreement.

Since that time, as you are aware, there has been one court case which in some ways calls into question the relevance of the agreement in relation to the rights of native people to fish and whether we can exhibit control over their right to fish. We are not backing off from our position. We are saying, first, the feds must come to us with what they want and, second, there is some question of relevance and perhaps the native organizations might want to back off what was already contained in that agreement.

I do not know how Mr. Pope can be criticized for his position at this time. I think all he is trying to do—

**Mr. Stokes:** To boldly state that it is dead?

**Hon. Mr. Sterling:** I guess after a period of eight or nine months, in terms of Mr. Munro having the opportunity to settle out his negotiations within his own framework and the problem in relation to the Hare case, may have drawn Mr. Pope to that conclusion. We are still hopeful. If the federal government sits down and signs the agreement tomorrow, we will live by the agreement.

**Mr. Stokes:** Okay. I am glad to hear you say that. That is encouraging.

Following in the same philosophical vein about another matter, you will recall that I went on at some length, perhaps too long, in the debate in the House last week.

**Mr. Piché:** Just a little too long. You did very well though, because I was a little worried there would be no time left for the member for Cochrane North to say a few words.

**Mr. Stokes:** There were no limits on time.

**Mr. Piché:** We all agreed that we wanted to finish the debate on Monday or Tuesday, I am not too sure now.

**Mr. Stokes:** I got the distinct impression when I spoke on Friday night—I did it deliberately, I tried to provoke you in the debate and you got in—

**Mr. Piché:** I was scheduled to be on after you.

**Mr. Stokes:** You did not do too badly yourself.

**Mr. Piché:** Thank you.

Before we go any further, can I ask the minister one question? You mentioned that we were waiting for Mr. Munro to come to us. Can we go to Mr. Munro or force his hand in this?

Why I am concerned and getting more concerned is that there seems to be a lot of red tape. One government is going one way and the other government seems to be going the other way. This is an important matter. It has to be brought to a head soon.

As the minister responsible, is there nothing you can do to start to force the issue, publicly or privately or by the back door or any door so we can get someplace?

Some of the items I brought up here are good items. This is something that is of great concern to me since I represent the second largest riding in Ontario. The member for Lake Nipigon represents the largest riding, and we have many Indian communities. As you deal and as you meet with the bands and the community itself, these problems are there and we do not seem to be moving.

I am getting very concerned and I think we as a government should be very concerned about that too. Someone is going to have to bang the table and say, "Hey, we have to get someplace here, this is getting ridiculous."

**Hon. Mr. Sterling:** I think we have taken a position, as I indicated before in our comments. I will raise it again at our next tripartite meeting with Mr. Munro, which I hope will be in the next month or two, and try to have him resolve it. But he has to resolve an internal conflict or an internal problem that he faces. I hesitate at hitting at anybody for holding back or whatever. I think Mr. Munro would love to sign that agreement but I do not think he has the necessary approval to do so.

**Mr. Piché:** Maybe it is a delaying action on his part.

**Hon. Mr. Sterling:** It could be a delaying action on his part. I am just not satisfied that any governments or the natives are giving enough impetus to resolving some of the issues that all

parties seem to back off from when they start to get close. There is not enough give and take on the part of any one of the three parties involved. I hope by establishing some trust in the natives, which I know is difficult to do and hopefully I have started to obtain some of that, and with trying to take a proactive role in solving some of these issues, we will see some gains in the next year or so.

11:10 a.m.

**Mr. Wiseman:** I will probably go with you, minister, when you go and get them excited, as I am sure you will.

**Mr. Piché:** I would not mind going to Mr. Munro. I will take the time to go with you.

**Mr. Stokes:** As my colleague reminds me, the Indians themselves moved a long way from their original position of traditional treaty and aboriginal rights. If you look at the broad language contained in the treaties they were to have the right to fish "as long as the sun shines and the rivers flow." If you look at recent court decisions, they tend to bear that out.

Now the native people are saying: "We are prepared to budge from that philosophical point of view as long as you give us some say and a piece of the action. We are prepared to participate in the management of a very important resource and, therefore, conservation of a very important resource."

When you look at some of the situations that developed down at Moraviantown that were raised by my colleague the member for Nickel Belt (Mr. Laughren), you know the status quo is just not acceptable. I hope you put the kind of importance on it that the issue deserves and that you will move and shake whoever has to be moved and shaken in order to get this whole process back on stream.

I want to get into land claims. I went on at considerable length during that debate. I did not have a copy of two letters that I think should be put on record, just to show you the hiatus we have reached with regard to settling land claims that are not major. You mentioned something like 40 items that the Attorney General (Mr. McMurtry) said were being given priority in order to settle a lot of the outstanding issues. For purposes of my contribution here, I want to deal specifically with the three communities that were considered satellite communities of the Fort Hope band; namely, Lansdowne House, Summer Beaver and Webequie.

I want to quote from a letter that was sent by

the Honourable John Munro to the Minister of Natural Resources on April 26:

"Dear Mr. Pope:

"Following the recent first ministers' conference on aboriginal rights, I met briefly with Grand Chief Wally McKay of the Nishnawbe-Aski nation," who wanted to discuss land claims for those three communities.

"You will recall that in December 1981 officials of our two departments and the Nishnawbe-Aski nation reached a consensus on the wording of a memorandum of agreement calling for tripartite negotiations on a land base, access to resources and community self-government for the three communities. Discussions broke down in the summer of 1982 when the Nishnawbe refused Ontario's offer to transfer the fee simple title to 400 acres of land to the leaders of the community in trust for their people. As a result, the situation which led the communities to seek tripartite negotiations remained unsolved.

"I have suggested to Grand Chief McKay that, in an effort to get talks started again, the Nishnawbe should submit a settlement proposal to both levels of government which would form a sound basis for negotiations. I have asked the Nishnawbe to make every effort to table their proposal within the next month. I want to confirm my department's willingness to participate in tripartite negotiations, with or without a formal memorandum of agreement, and to invite Ontario to make a similar commitment. I hope that the Nishnawbe's settlement proposal will provide a basis from which to develop a mutually acceptable settlement for the people of Webequie, Lansdowne House and Summer Beaver."

It is signed by John Munro, and written on April 26, 1983.

On May 11 of this year, the Minister of Natural Resources wrote to Mr. Munro and said:

"I have reviewed your letter of April 26, 1983, concerning the communities of Webequie, Lansdowne House and Summer Beaver. You will recall that previous attempts to develop a memorandum of understanding to facilitate tripartite negotiations on land for an Indian reserve at each of these communities and access to other natural resources broke down when you declined to confirm that the federal government would pay to Ontario the market value of any land and/or resources which may be transferred to Canada for the Indian people by Ontario as a result of the proposed negotiations. On receipt of this confirmation, I would be quite

pleased to pursue the tripartite negotiations referred to in your letter of April 26, 1983." The letter was signed by Mr. Pope.

I had in my possession during the debate a chronology of what has happened since 1958 between the old Department of Lands and Forests on down, and it was a real chronology where at one time recommendations went to the then Minister of Lands and Forests. Because it was a relatively insignificant amount of land the native people were asking for in the overall scheme of things, the recommendation came down, "Let's just give it to them and give them sufficient so that they won't be coming back to us every few years asking for more land."

Anybody who cares a darn about our first citizens and their right to become self-sufficient and independent in an area of the province where we have a lot of land knows it is not going to hurt us as Ontarians individually or collectively to show a much greater measure of goodwill and come to terms with land claims that have been outstanding, particularly in that part of the province north of the 50th parallel.

I fully appreciate there are some problems in the southern part where it is much more heavily developed and populated. There are some really sticky issues that are not as straightforward as this one. We have seen the satellite communities for Big Trout Lake given reserve status in communities such as Angling Lake, now called Wapikopa, Wunnammin Lake, Kingfisher Lake, Kasabonika, and three communities over in the riding of Kenora. That was solved. It took quite a while but nevertheless it was solved.

Why is the Minister of Natural Resources saying that the only way we are going to give reserve status to our first citizens is to have the federal government pay market value for provincial crown land? Then the land will be ceded to the federal crown to be held in trust on behalf of our first citizens so that they can enjoy reserve status, so that they can conduct their own affairs. We are talking about Indian self-government.

You know of the initiatives taken by the federal government to find a better way of assisting our first citizens across Canada. A report from that committee is being tabled this week in Ottawa. There is going to be a shake-up, as I understand it, in the bureaucracy of the Department of Indian Affairs and Northern Development in Ottawa.

11:20 a.m.

Why are you people being so intransigent? If you know anything about the situation in those

northern communities, you know that every time native people want to do something they are hit with a bureaucracy that they do not understand.

We have ceded land under licence to major pulp and paper companies, now stretching right up to the south shore of the Albany River, right on the doorstep of the Fort Hope Indian band. The corporate citizen, Kimberly-Clark, has maintained an excellent rapport with the Fort Hope Indian band and said, "Anything we do that might have an effect on your traditional lifestyle, we want to advise you well in advance and do our planning in such a way that we can complement what you are trying to do as a community, rather than doing things that might upset our excellent relationship."

When that was done, the native people said: That's fine. We are willing to co-operate in any areas where there will be mutual benefit to us as well as the corporate citizen. We would like you to give us the same treatment with regard to timber resources north of the Albany River as you have given Kimberly-Clark south of the Albany River."

That just has not happened. The Fort Hope Indian band would like to develop potential mineral wealth. What does your government say? It says, "Before you take a ton of ore off our reserve, we reserve the right to extract our pound of flesh by way of royalties on mineral wealth." That wealth is not on provincial crown land. It is on the reserve.

Every time an Indian person tries to set up a tourist camp, he is told he must adhere to very stringent guidelines that are laid down in concert with the Ministry of Natural Resources and the Ministry of Tourism and Recreation, which both have responsibilities for issuing licences.

It seems that every time native people in the north try to do something that will increase their ability to become much more self-sufficient, to get off some form of social assistance, they are thwarted by the legislation, regulations and the bureaucratic network we have set up down here—

**Mr. Piché:** Down here or in Ottawa?

**Mr. Stokes:** That may have some validity, but in terms of crown land, it is right here.

**Hon. Mr. Sterling:** How many people are there in each of the three bands you mentioned?

**Mr. Stokes:** There are a bit over 300 in Webequie, about 200 in Summer Beaver and about 200 in Lansdowne House, a total of about 700 people.

**Hon. Mr. Sterling:** They are located in quite different geographical locations?

**Mr. Stokes:** Yes.

**Hon. Mr. Sterling:** Are they talking about 400 acres for each of them?

**Mr. Stokes:** No, considerably more than that. This is what the province was prepared to do, not for purposes of giving them reserve status but transferring the land. You being a lawyer let me read it to you again: "Discussions broke down in the summer of 1982 when the Nishnawbe-Aski refused Ontario's offer to transfer the fee simple title to 400 acres of land to the leaders of the communities in trust for their people."

This is not giving them reserve status. You must appreciate that I spend a lot of my time with the Department of National Revenue, the Department of National Health and Welfare, our own Ministry of Health and our own Ministry of Transportation and Communications, because a good deal of the federal legislation that exists all hinges on whether or not a community has reserve status. It is designated as an Indian reserve, because I can tell you that if there is reserve status, an Indian working for wages is exempt from the payment of income tax; if he has reserve status, he is exempt from provincial sales tax. Your colleague the Minister of Revenue (Mr. Gregory) knows that; we have been through all of that with him.

If somebody is working at the Hudson's Bay store in Webequie, for instance, he does not have reserve status, but for a lot of the programs Indian Affairs will transfer dollars to that reserve. But when it comes to the enforcement of other acts, whether or not they have to pay income tax, provincial sales tax or Ontario health insurance plan premiums, if they have reserve status, there is a fiscal arrangement between the federal and provincial government that exempts them from those charges or imposts; but if they do not have reserve status, they are even second-class Indians.

I do not know what you people talk about. Since this was set up by order in council in 1981, do you ever get out there? I am not talking about you; you have not had an opportunity. The Honourable Russell Ramsay had those responsibilities, Lorne Henderson had those responsibilities and I forget how many other people before that.

**Interjection:** René Brunelle.

**Mr. Stokes:** Yes, the Honourable René Brunelle. Have you any idea how frustrating it is? If it is frustrating for me, and I have some

knowledge of the bureaucracy, you can understand and appreciate the frustration that is experienced by our first citizens even to make one halting step towards cutting through the bureaucracy and the red tape.

I want to ask you specifically why in the name of heaven the Minister of Natural Resources is demanding payment for every acre of land that is going to be turned over to give those people reserve status unless we get market value assessment for that land way up north.

**Mr. Wildman:** Nobody knows what it is up there. What is it up there?

**Mr. Stokes:** I will take you up there and show you the land we are talking about, how remote it is and how important it is for those people that you cut through all of this.

Forget about market value assessment. Talk in terms of transferring it from the provincial crown to the federal crown to be held in trust for our first citizens so they can get on with putting their lives together and can become more self-sufficient, more independent, get off welfare and get off any kind of social assistance to the extent they would be able to if they could manage the land within the reaches of their own reserve.

11:30 a.m.

**Hon. Mr. Sterling:** Two questions pop to mind. First, as I understand the existing situation, if a band decides to sell a piece of land, it receives compensation for that land.

**Mr. Stokes:** True.

**Hon. Mr. Sterling:** If a reserve decides to cut down on its area, it receives compensation for what it gets rid of. How do you distinguish between when it is going one way, why should it not be the other way, however the program is set up for them to pay for their land?

**Mr. Wildman:** Because this is crown land that was transferred by the Indians to the crown initially. This land was theirs in the first place.

**Hon. Mr. Sterling:** Yes, but there was a transfer.

**Mr. Wildman:** Yes, but these communities were not recognized in the treaty. They were considered to be part of the Fort Hope band and they are not.

**Mr. Stokes:** The people at Lansdowne House, not the ones who are there now but their ancestors, were there before Treaty 9 was even signed. It just boggles the mind. I think you are being a little bit facetious. You are talking about Indians who would give their right arm to have

reserve status and you are talking about them selling it off once they get it. That is not likely to happen.

**Hon. Mr. Sterling:** I am not dealing just with these particular bands, I was talking about the overall situation in Ontario. When you are dealing with one, you are dealing with not only these three satellite bands, but you are dealing with a number of other property questions we are facing.

**Mr. Stokes:** I was talking about this specific situation.

**Hon. Mr. Sterling:** I know you were.

**Mr. Stokes:** It has been going on for years.

**Hon. Mr. Sterling:** There are a number of other satellite bands up north as well.

**Mr. Stokes:** Why do you not approach these things one at a time?

**Hon. Mr. Sterling:** Because once you make a policy one way, then you live by it.

**Mr. Wildman:** If that is the case, why do you not follow the example you followed with the Big Trout agreement?

**Hon. Mr. Sterling:** I do not know what the Big Trout agreement is.

**Mr. Stokes:** It was roughly an acre for acre thing, but they even departed from that. There have been so many precedents set by the old Department of Lands and Forests, even the existing Ministry of Natural Resources, not only as they apply to the original treaty but the adhesion to that treaty in 1924.

You always talk about establishing dangerous precedents.

**Hon. Mr. Sterling:** I did not say it was dangerous. I am just saying that whatever is done, you have to do uniformly throughout whoever you are dealing with.

The other problem is in terms of determining what boundaries are reasonable to the band and what are reasonable to the other interests in the area.

**Mr. Stokes:** That is not the issue. It is a consideration, but it is not the issue. Why do you insist that the federal government pay you market value for whatever land is transferred? That is the issue. We can argue about—

**Hon. Mr. Sterling:** I do not know what Mr. Pope's response to that is. I will have to defer that answer either to his estimates or I will have to get an opportunity to ask him that.

Unfortunately, I know he is not in Toronto at this time. I do not know whether he is in the

province or not. I will not be able to promise an answer by tomorrow night, but you will have an opportunity to meet with him on November 15. If you would like me to write you with whatever I can obtain from him, I will.

**Mr. Stokes:** Where we have particularly hot or troublesome items on this shopping list that you have in your possession, what are you going to do about it?

You made the assertion last night that whenever we have hot issues, you were going to approach him. When you are at it, ask him about timber rights for the Fort Hope band north of the Albany River, in the same fashion that we gave Kimberly-Clark the rights south of the Albany River. Talk to him about the fact that the Treasurer wants his pound of flesh in mineral development and exploitation before the native communities can go ahead with exploiting a resource that is on their reserve.

I will leave this with the minister. He can respond in any way he sees fit.

Travelling around the province as I have done for the last three weeks, I came to a conclusion about what I see as one of the most troublesome problems facing timber and lumber companies, namely, the use of herbicides. In entering into these forest management agreements with the province, they assume the responsibility for regeneration in a physical way, with the majority of the funds coming from the province and, therefore, the taxpayer.

One of the tools they think is absolutely essential for tending the forest—cutting down the competition from less desirable species, many of them weeds—is the use of herbicides. I have discussed this with the former Minister of the Environment. He said the Pesticides Advisory Committee decides what can be used in the controlling of weed species in our forests.

I saw a situation at Iroquois Falls on land that was licensed to Abitibi where they are doing a better than reasonable job—they are doing a good job—of implementing the forest management agreement. However, when one sees the weed problems they are having in trying to get these young trees to grow, one appreciates they need tools—namely, herbicides—to get the job done.

The industry tells me 99 per cent of all the pesticides and herbicides used in Ontario—and I suppose it may be fair to say all of Canada—are used by agriculture. One per cent is used very selectively as a tending tool in forestry. Yet every time they attempt to use them, there is the darndest hue and cry you ever heard in your life.

We saw plantations totally infested with raspberry bushes—of all things—total raspberries. I am sure if the member for Cochrane North talks to those people who have some responsibility for regeneration, he will hear this too. I heard the same thing in Kapuskasing. Spruce Falls Power and Paper Co. Ltd. flew us out there, accompanied by this minister's predecessor, René Brunelle. What kind of process is there that will selectively allow these people to use herbicides that are on the market?

You might say they could use 2,4-D, and 2,4-D will look after most broadleaf weed species, but it will not touch these raspberries. One goes to one of those plantations where they have spent thousands of dollars to grow a new forest to find them sitting down there anywhere from six to 10 inches high and there are raspberries in the clay belt almost as far as the eye can see. Yet they tell me there is a herbicide available that will do the job. There is not going to be much drift. There is not going to be any more effect in the wilderness of the boreal forest if it is applied carefully than there would be from spreading it on a farm in southern Ontario.

Yet every time one of those companies, or even the Minister of Natural Resources, wants to do that in the areas of the province for which it has responsibility, that is, crown lands where we have crown management units, that is a no-no. We cannot use that, but 99 per cent of all the pesticides and herbicides that are used in Ontario are used by the agricultural community. Let the the forest industry or the Ministry of Natural Resources try to use it in the same, it is to be hoped, responsible way and that is a no-no.

From looking at the expression on your face, I take it this is entirely new to you. This is a new phenomenon you were not aware of. Otherwise, I am sure you would have busied yourself or your staff to do something about it.

**Hon. Mr. Sterling:** I do not know what can be done about it. When you talk about public and media reaction to any kind of environmental problem, quite often there is an irrational response to whatever is being done in that area.

**Mr. Stokes:** Not towards the agricultural community, but let forestry try it and it is, "Oh, no."

**Hon. Mr. Sterling:** When I was sitting as a member of the standing committee on procedural affairs, we had that advisory body in front of us. I can only speak for that all-party committee in a minority parliament, but we were very satisfied with the expertise of the pesticides and

herbicides advisory body to the Ministry of the Environment. It is made up of some of the top scientists in the country. They are very knowledgeable people.

As politicians, I do not think we have any position to second-guess what they are doing or not doing. I guess it is a public reaction. The media, politicians and newspapers are reluctant to take on the agricultural community in terms of its use of pesticides. Most often I think politicians are frightened to take the rural community on because of its political power, not only in its own communities but in the urban areas. You have seen that often as well. Perhaps that is the answer.

I do not know what the answer to your question is other than Mr. Brandt would—I do not know if within the act they have the ability to use some particular herbicides under restricted conditions or whatever. I suggest you talk to the Pesticides Advisory Committee directly.

**Mr. Stokes:** I did it through the former Minister of the Environment, and he said exactly what you are saying: "All is well with the world. We have advice from the experts and the status quo is just fine, thank you very much."

I suggest you talk to the Ontario Forest Industries Association and the Ontario Professional Foresters Association. They will tell you an entirely different story. I committed myself to bringing it to the attention of somebody at the earliest possible moment, at least to get the dialogue going.

**Mr. Wildman:** Which herbicide is it?

**Hon. Mr. Sterling:** I think that is an important question.

**Mr. Stokes:** They can use 2,4-D selectively for some plants. They have another one called Round-up. I do not know the chemical name of it.

**Mr. Wildman:** Round-up is used extensively in the agricultural industry.

**Mr. Stokes:** It is called Round-up, and they said, "We would save hundreds of thousands of dollars if you would just allow us to use this selectively and responsibly."

**Mr. Wiseman:** But it is used?

**Mr. Stokes:** Not in the forests. You see, that is the double standard.

**Mr. Wildman:** That is the point he is making.

**Mr. Stokes:** That is the double standard. A forester will say, "This is a very useful tool; just give me the same right as you give the agricultural community." But no, we do not.

**Hon. Mr. Sterling:** I do not know the reasons for the differentiation; it probably relates to control of the use.

**Mr. Stokes:** I want a more favourable response from or at least an expressed willingness by the Minister of the Environment (Mr. Brandt), because when I talked to Keith Norton about it, I got the same gobbledegook that I am getting from you this morning.

**Hon. Mr. Sterling:** You are not getting the answer you want back. What I am saying is that if—

**Mr. Stokes:** I could walk out of this room and say that the forest industry has a problem and the future economic wellbeing of everybody who relies on the boreal forest is in jeopardy, but because of some misunderstanding, some preconceived notion or some mindset, it is fine to use it in the agricultural community because we have to eat, but it is not fine to use it in the forest industry.

**Mr. Wildman:** It may have to do with methods of application. If it is aerial spraying they are considering in the forest, that may be the problem.

**Mr. Pollock:** Round-up kills everything. You do not just treat with it; it kills everything in that area.

**Mr. Wildman:** It just wipes everything out.

**Mr. Stokes:** No, it does not.

**Mr. Pollock:** Yes, it does—everything it touches.

**Mr. Stokes:** It does not touch coniferous trees.

**Mr. Wildman:** That is right. It will not affect coniferous trees.

**Mr. Wiseman:** I do not know about the trees, but it kills everything else on agricultural land.

**Mr. Wildman:** It is used especially on corn.

**Mr. Wiseman:** Yes, after you take your corn off. Before you plough the land, you let it grow a bit and then you spray with that. It really does a good job.

**Mr. Stokes:** I have taken more time than I deserve. I just hope you will pass the word along in your function as the co-ordinator, the facilitator. I suggest you talk to representatives of the Ontario Forest Industries Association. You may think I am being overly dramatic and am just here to hear myself talk; I am telling you, that is one of the most inhibiting problems to the regeneration of our forests. You should at least call them in and have a talk with them.

**Mr. Williams:** Mr. Chairman, I want to touch on a matter in which I have had some interest over a period of time, and it falls within the responsibilities of the provincial secretariat. I do not think it was touched upon in the minister's opening remarks and I have not heard comment on it up to now.

It is my understanding that the secretariat has some involvement in the activities of the International Joint Commission and particularly in the programs and activities of the jurisdictions in the Great Lakes basin as they relate to water quality.

Certainly it has been an issue that has received a lot of attention in many respects with regard to the Ministry of the Environment, but it is my understanding that you also have some interest in that area. I believe you do have a representative from the secretariat who is a member of the Great Lakes Water Quality Board.

**11:50 a.m.**

I want to get some current information as to where we are at with regard to the ongoing programs involving the Great Lakes Water Quality Board. I guess their annual meeting, which will give us the 1983 picture, is either taking place this week or next week, or was last week. Obviously, the information is not readily available.

**Mr. Chairman:** It is two weeks away.

**Mr. Williams:** I think it is down in Indianapolis. The best information I have available is from the 1982 meeting. This is why I would like to determine whether there is more current information available even though it is on the eve of the annual meeting, where all the reporting will be done.

I would assume that our representative in the secretariat perhaps would have some indication of what progress has been made since the November 1982 meeting. There were a number of things that were mentioned at that time or highlighted at the activities of the annual meeting. I would like to get some further information on it that may be more current.

Some of it may be of such a technical nature that the minister would like his staff person to comment on it, but I will leave that to his discretion.

There are just a couple of areas I wanted to touch on. The first is the eutrophication problem involving the Great Lakes and particularly the phosphorus concentrations and the programs that have been put in place to try to

curtail or contain phosphorus concentrations throughout the Great Lakes system.

My information, based on last year's reporting, is that some considerable progress has been made in this area but that we still have to concern ourselves with the phosphorus concentrations around the Canadian near shore of Lake Ontario between the Niagara River and Kingston.

I think we are all aware of the fact that phosphorus reduction is really dependent on two things, the removal of the phosphorus at the municipal treatment plants and a limitation of the phosphorus content in laundry detergents, which seem to be the real main source.

I think we have some direct access as to the success or otherwise of some of the municipal treatment plants along the system; I will be commenting on those in a moment or two.

One of the questions I would like to have some information on is what steps have been taken within the private sector to impose limitations on phosphorus content of laundry detergents. I know that was under very active consideration a couple of years back. I think steps were being taken in both jurisdictions to try to impose limitations with the manufacturers of the detergents, but I must confess that my memory is not as fresh as I would like it to be in recalling what has been achieved in that area.

The second concern I have is that while it was reported that in the past 10 years Canada and the United States have spent or committed more than \$7.25 billion for municipal waste water treatment facilities in the Great Lakes basin, it would be more significant to know what percentage of that \$7.25 billion has been spent and what part of it is still committed but unused and for what reasons?

I must say that it is encouraging to see that the Great Lakes Water Quality Board was impressed with the degree of improvement that had taken place in the Detroit River based on the successes of the Detroit waste water treatment plant. I think it is worth noting that the annual phosphorus load to Lake Erie from that facility had been reduced from 3,660 tons in 1975 to 940 tons in 1981. I gather they had monitoring that brought it up to as recent a time as mid-1982, and further success has been recorded with the effluent phosphorus concentration having been reduced to a loading factor in Lake Erie of 405 tons per year. That certainly is encouraging.

In some other areas we have not been quite so successful with some of the treatment facilities. The board rates the different facilities and gives

a laudatory comment on the Rochester and Syracuse facilities but cautions that at least eight of the larger sewage treatment plants in the system in the lower Great Lakes basin have not been achieving according to the guidelines that have been imposed upon them. Of greatest concern is that in New York state five of the municipal facilities discharging into the St. Lawrence River basin have not been meeting any of the requirements that have been imposed and apparently are not making any attempt to limit phosphorus in the effluent.

I would like to know why that situation prevails and whether it has been addressed in a positive way. I do not think we should ask this in a smug way, because we have a long way to go ourselves on the Canadian side, but it does appear that most of the noncompliance, most of those guilty of polluting and the areas of concern that are highlighted by the Great Lakes Water Quality Board relate to locations on the American side of the border. I can understand that with the higher concentration of industry and population and so forth.

As I say, we should not be sitting back and being complacent over the fact that we may be achieving more quickly than they are. We do have a long way to go ourselves, but there are positive signs that it is taking place here.

The information that has been provided does raise these further questions. I hope you might be able to shed some light on the questions I have raised, just as to where they were as of November 1982.

Another matter that concerns me ties in with what the Minister of the Environment discussed at some length in his estimates when we were talking about the pollution of the beaches in Metro Toronto. It is the criticism raised in that report that one of the two plants that have been added to the noncompliance list as far as meeting the criteria established for treatment of phosphorus is concerned is the Toronto Humber plant. It was indicated that plant was not in compliance as of 1981. Some time has passed, and I presume they have taken steps to correct that, but it may have been part of what resulted this summer—the closing down of the beaches for recreational use. You may be able to give some information there.

## 12 noon

I emphasize that I have been talking about the concentrations of phosphorus contamination and what is being done about it. I would like now to go into some broader areas of concern.

I note that the chairman of the board, Mr. Valdas V. Adamkus, had taken the time to be somewhat specific in identifying and quantifying the areas that are of concern to them. They had pointed out that they had designated 18 areas as being the worst and had tried to do an evaluation on what progress had been made to reverse the existing situation.

This minister probably is aware that there were six areas where they found the remedial measures now in operation would resolve the identified environmental problems and restore beneficial uses over the near term. One of those was identified as the Niagara River on the Ontario side. So it certainly supports the position of the Minister of the Environment over some period of time that we are addressing that problem.

They did indicate, however, that the majority of the areas of concern they identified are found in a second category wherein remedial measures now in operation will not resolve the identified problems and restore uses over the near term. It is not that there will not be results but that results will not be accomplished in the near term.

One cannot say it is fortunate from our point of view that this occurs mostly on the American side. Regardless of whether it is American or Canadian, we are all part of the Great Lakes water basin and we are all affected. Three of the 12 areas they identified in that category were on the Ontario side—the St. Marys River and the St. Clair River, and one in the Cornwall and Massena area of the St. Lawrence River affecting both the New York and Ontario sides.

The minister or his staff may be able to give us some more current information on whether anything further can be done to bring the job of correcting the situation in those areas from the far term to the near term. He might report what is being done to bring the pollution problems evident in those areas under control and within acceptable limits.

Finally, the board identified three other areas where it believed that even though all reasonable remedial measures have been or are being taken, it is doubtful whether the environmental problems will be completely resolved and use restored. Two of those areas were in the United States, one in Indiana and the other in Ohio, but the third was in Ontario: Hamilton Harbour. These are three areas they have identified as critical zones.

They make it clear that in that type of containment area, a harbour area, it is more

difficult to clear out the in-place pollutants, as they call them, than the pollutants that are at present likely to go into the system but can be contained and dealt with on a current basis.

I do not know what specific measures are being applied at this time with regard to the Hamilton Harbour situation but, quoting from that annual report, they say: "Contaminants and sediments from several portions of Hamilton Harbour exceed the provincial guideline for open water disposal of dredged materials. The greatest contamination is in the area adjacent to municipal and industrial discharge sites and in the deep water central basin."

They go on to say: "In general, remedial programs presently in place or proposed will significantly improve the ecosystem quality in the Great Lakes basin. However, even with the completion and satisfactory operation of remedial works, environmental problems will remain because of the presence of in-place pollutants, a serious problem in 17 of the 18 areas."

They highlight that harbours, embayments and estuaries are the areas where it is more difficult to get rid of those in-place pollutants.

These are some of the highlights that caught my attention in reviewing the progress that is being made by the International Joint Commission through its water quality control board and the other boards within the jurisdiction of the commission.

I appreciate that our involvement there has to be done in conjunction with the federal authorities because of the international ramifications, but this is the best that can be done given the international structuring that has to prevail. What I am pleased about is the fact that our provincial representatives have been actively involved in conjunction with their counterparts from the federal jurisdiction.

These are ongoing concerns. I think it would be helpful to be updated as to what further progress has been made. I hope we do not have to wait for the annual report for this year to get all the information. We may be able to get some through your good offices.

**Hon. Mr. Sterling:** The International Joint Commission is of particular interest to me, and not only as the Provincial Secretary for Resources Development. The fact of the matter is that the siding of Carleton-Grenville goes to the northern shore of the St. Lawrence River and one of the trouble spots that has been recently identified is the stretch of the river adjacent to my siding.

I have taken some interest in it. I will admit, however, that some of the issues involved are fairly complex. They are long-standing issues and are difficult issues to address because of the numerous jurisdictions involved in the whole area.

I should indicate we do have a member from the secretariat who sits on the water quality board. He is Mr. Richards and he is here today. I am going to ask him to respond later to any specific questions I am not able to deal with myself.

**Mr. Williams:** I understand that. That is why I thought it would be helpful.

**Hon. Mr. Sterling:** In terms of an overview, I guess the members of the Legislature will be interested to know there does seem to be some significant movement taking shape now to address, in particular, the phosphorus overloading problem in the lower lakes, in Lake Erie in particular. I hope the Indianapolis convention which is coming up on November 17 or around that date—

**Mr. Williams:** I know it is imminent.

**Hon. Mr. Sterling:** —will heighten the need for some corrective action.

**12:10 p.m.**

In 1978, the commission published the PLUARG report, from the Pollution from Land Use Activities Reference Group. The report discussed the problems of pollution arising from nonpoint sources; in other words, sources like agricultural use of fertilizers and sedimentation problems in which each sediment particle carries with it significant pollutants into the lake.

**Mr. Williams:** So it is a cumulative factor over a broad area and you just cannot designate a place like a plant at Cardinal, Ontario, that is specifically causing pollution.

**Hon. Mr. Sterling:** That is right. This has been a significant source of pollution; that is, the pollution arising from erosion and sedimentation. The atmosphere is another source of nonpoint pollution as well. The PLUARG report contained a number of recommendations regarding measures to reduce pollution and, unfortunately, although the recommendations were accepted by the International Joint Commission they were not really ratified by the two chief governments involved, Canada and the United States.

The 1979 negotiations began between our two countries to develop an action to reduce the phosphorus loadings. The plan in the PLUARG

report is referred to as annex 3 of the water quality agreement between the countries, and annex 3 was the part that until very recently was not ratified by the United States but I guess was ratified by our country. In fact, on October 16 the United States did ratify annex 3 of the report. So I hope some of the recommendations contained in the PLUARG report will now come to fruition and there will probably be significant discussion at the IJC this coming November.

In the meantime, under the land use committee, Ontario has been developing some approaches to nonpoint sources of pollution and we have been developing, under the chairmanship of Mr. Richards, who is also a member of the water quality board, a comprehensive approach to the soil erosion and sedimentation problem.

Because Mr. Williams raised this matter—

**Mr. Piché:** He had to go to a telephone call.

**Hon. Mr. Sterling:** Would it be appropriate for me to wait until he returns?

**Mr. Chairman:** I don't know. He will be a few minutes. Mr. Wildman is next.

**Mr. Wildman:** I could ask a couple of short questions and leave the main things I wanted to raise until next time, if you like.

**Hon. Mr. Sterling:** That would be appropriate. I know Mr. Williams had a significant interest in this area.

**Mr. Wildman:** There are two particular matters that I would like to raise. One relates somewhat to the IJC—

**Mr. Chairman:** Mr. Williams is back.

**Hon. Mr. Sterling:** I was saying, Mr. Williams, that the land use committee, which is chaired by Mr. Richards, who is a member of the water quality board of the IJC, has been developing, in concert with the Ministry of Natural Resources and the Ministry of Agriculture and Food, a government approach to a nonpoint source of pollution, and that is the approach to soil erosion and sedimentation.

Not only is it something that will save our lakes from quite a load of phosphorus deposition but it also has a significant cost saving to the agricultural community. For example, the study they have undertaken in the past two or three years in anticipation of the International Joint Commission going ahead with the matter has shown that the total annual erosion costs attributable to reduced yield, nutrients and pesticide losses were approximately \$68 million. Eighty

per cent of these costs occur in the southern and western part of our province.

If we can stop some of the erosion and sedimentation from occurring we will not only save on the significant additional costs in relation to removing sediment from places where we do not want it—for instance, from harbours and roadside ditches, channels and sewers, etc.—but there is also a significant saving in the cost of fertilizers to the agricultural community.

The problem has been getting worse over the past 10 years or so, despite the best efforts of our farmers to increase yields through a variety of measures. Production on erosion-prone agricultural land in Ontario has been declining because of the loss of topsoil, a decline in organic matter and the deterioration of the physical structure—the chemical and nutritional content of the soil. The production capability decline accelerates as more intense row cropping occurs as well.

We have been working closely to try to bring forward a comprehensive policy, co-ordinated through the ministries of Natural Resources and Agriculture and Food, which will have two significant effects.

It is estimated that of the 300 tons—I believe it is metric tons—of annual Canadian phosphorus loading, about 100 tons could be realized as a result of merely reducing erosion and sedimentation to acceptable levels.

**Mr. Williams:** I am sorry, three down to—

**Hon. Mr. Sterling:** One hundred of the 300 could be reduced by improving methods to reduce the erosion and sedimentation to some acceptable level.

**Mr. Williams:** So you would say that nonpoint type of contamination represents about one third of the problem, if you break that 300 down

**Hon. Mr. Sterling:** The 300 tons, is that a total, Ken, or is that a nonpoint source total?

**Mr. Richards:** Nonpoint.

**Mr. Williams:** That is totally nonpoint. I am sorry, okay, I understand.

**Hon. Mr. Sterling:** We in Ontario have been recognized as taking care of most of our point sources of phosphorus loading, or former point sources of phosphorus loading. We have pretty good record in that area compared with other jurisdictions.

With that corporate policy, which we hope to implement and get in place in the near future we hope we can utilize that in our negotiations and talks with the Canadian government and the United States government and continue to show what I think we have shown in the past, and the

is some leadership in the area of water quality. I think we have stood pretty well in relation to the other jurisdictions that are in the Great Lakes area.

Perhaps I could call on Ken Richards to come up and answer some of the additional questions.

**Mr. Williams:** I appreciate that overview. Perhaps he could give us answers to some of the specific points that have been raised. I hope you were taking notes of those points that were raised, were you, Mr. Richards?

**Mr. Richards:** Yes, I was. I believe the first point you raised was with regard to municipal treatment plants.

**Mr. Williams:** Yes.

**Mr. Richards:** You were particularly interested in the levels that have been achieved in Ontario municipal treatment plants since the last report. What I would like to do is read to you from this year's report, which I got yesterday. I attended a meeting of the water quality board at Detroit and yesterday we received the final version of its report to the International Joint Commission which is now a public document. I could get you a copy if you want it. For the record, I can put this information in.

12:20 p.m.

**Mr. Williams:** Yes, that would be helpful. It would mean we get it two months earlier.

**Mr. Richards:** Yes, it takes a while to come along.

As to the sewage treatment plants in Lake Erie, we are looking at the lower Great Lakes where the significant concentrations of phosphorus occur. We are talking about Lake Erie and Lake Ontario.

The standard which the board has recommended and which has been accepted by the commission and subsequently by the two major governments is that we have a level of about one milligram of phosphorus per litre. I will read the figures.

Lake Erie: The major facility which drains into Lake Erie ultimately is the London Greenway facility and the effluent concentration there was 1.2 milligrams per litre.

The report notes this particular facility was in compliance in 1981. I would have to refer to some of the more detailed reports of the sub-committee looking into this matter to find out specifically why they contravened the standard in the way they did.

My recollection is that with some of these systems there are variable flows so they do not hit the standard spot on, so that over the course

of the year the standard could range from 0.7 to 1.3. What you are getting right now is the overall average for the 12-month flow.

**Mr. Williams:** How many times a year would they deem it a fair averaging to go in and do spot sampling, which is what I presume they do?

**Mr. Richards:** That is right. It varies from station to station. Obviously they have been sampled on a daily basis. I am not sure how the average is derived. I would have to look into the specific committee report for that.

**Mr. Williams:** So it is truly a continuous monitoring that goes on?

**Mr. Richards:** Yes.

**Mr. Williams:** I presume that would be an average figure derived from what each month's samplings show?

**Mr. Richards:** Yes, it could be, or it could be a weekly or a daily sampling. I would have to go back into the records.

**Mr. Williams:** Perhaps you could let me know later exactly how they go about doing their sampling to get accuracy on it.

The London Greenway has exceeded the limit. When you say it has gone to 1.2, is that considered to be an excessive violation of the limits imposed? It is hard for me to grasp the significance of the criteria used. One milligram per litre is the desirable limit. Would 1.2 be considered significant over—

**Mr. Richards:** Do you mean the 0.2?

**Mr. Williams:** Yes.

**Mr. Richards:** No. It is not significant. It is something that is manageable.

I will give you another example. In Cleveland, the West sewage treatment plant, as it is defined here, has a level of 2.5. Obviously, as it says here, a great deal of money needs to be spent to achieve that level. What we are talking about is a management as opposed to an expenditure problem. It could be the physical characteristics of the area as well, in terms of the inflow into the system.

**Mr. Williams:** Were there other facilities on the Canadian shore that were not in compliance through the year that came to your attention? Is the Humber still offending?

**Mr. Richards:** Yes, Toronto's Humber is at 1.2 as well.

**Mr. Williams:** What was it in the preceding year? Do you have the comparative figure?

**Mr. Richards:** No, I do not.

**Mr. Williams:** Unfortunately they did not indicate by what extent it exceeded the top limit back in 1981 so I cannot see whether they have improved, even though they may still be in excess of the limit.

**Mr. Richards:** I will read to you what it says here.

The reconstruction of chemical storage facilities was completed in late 1981. Adequate phosphorus removal was reinstituted early in 1982." I can only assume that the situation at that time was not as reasonable as it appears to be right now.

You have 1.2 at Humber. In Hamilton, the situation is the same; it is 1.2. The remarks with regard to that sewage treatment plant is that operational modifications resulted in significant reductions in 1982 and the matter is under further review by the municipality to achieve the objective.

**Mr. Williams:** It sounds as though Hamilton has made the greatest progress.

**Mr. Richards:** It is moving along there. That is the sewage treatment plant.

**Mr. Williams:** Right. They still have some distance to go. Even though it is not as critical as it was, they must continue to improve.

Are those the three that were identified or were there others?

**Mr. Richards:** Those are three what are called larger municipal discharges in the lower lakes. This is contained in table 3.3 in this year's report. There is more detailed information on the smaller sewage treatment plants, but the board at this stage is more concerned about the larger loadings going into the lakes as opposed to the loadings from the smaller municipalities.

**Mr. Williams:** They highlighted the Detroit facility in the report last year. What would be the ones we would be watching down on the Ontario side? Would Sarnia and Windsor be the two treatment plants?

**Mr. Richards:** Yes.

**Mr. Williams:** Then I gather they have been in conformity. There is no evidence that they are not in conformity at this time?

**Mr. Richards:** Certainly not in this table. But I would have to check in the more detailed tables for all the sewage treatment plants to find out what the situation is now.

**Mr. Williams:** The other aspect of the containment reduction of phosphorus was the limi-

tation of phosphorus content in the laundry detergents themselves.

**Mr. Richards:** Yes.

**Mr. Williams:** My understanding was that negotiations had been entered into and probably legislative action had been taken after consultation with the manufacturers of the detergents to reduce the levels of phosphorus that went into their detergent products. Could you clarify that?

**Mr. Richards:** Yes, in 1972 legislation was passed to limit the amounts of phosphorus in laundry detergents to a level of 2.2 per cent by weight. This is in Canada. The record in the United States has not been as forthright; the matter has varied from state to state and legislative area by legislative area. I understand that as of yesterday, for example, the state of Wisconsin, which was one of the states which resisted the limitations on phosphorus, is very close to reducing or establishing a limit for phosphorus in detergents.

**Mr. Williams:** Did you say Ohio?

**Mr. Richards:** No, Wisconsin. My information from the report is that Ohio and Pennsylvania have yet to move on that matter.

**Mr. Williams:** Was ours federal legislation that was needed at that time?

**Mr. Richards:** Yes, it was.

**Mr. Williams:** It comes under what federal act?

**Mr. Richards:** I do not know, but I can find out.

**Mr. Williams:** But it was back in 1972?

**Mr. Richards:** Yes.

**Mr. Williams:** That standard we applied there, is that the one that is being applied by the states that have taken action? Is that the same level of phosphorus content that they are imposing or is it varying from state to state?

**Mr. Richards:** It varies from state to state. One of the advantages of the International Joint Commission—and I am speaking generally now—is that an attempt is made to achieve a compatibility among the different standards adopted by jurisdictions so that, while it may not be exactly 2.2 per cent in New York state, they would attempt to achieve some balance between what we have and what they have. In other words, the IJC may recommend some guidelines for the establishment of standards.

**Mr. Williams:** Mr. Chairman, I think it might take another 10 or 15 minutes to get to the rest

of the specific points that have been covered. This might be an appropriate time to recess. I think we were just sitting until 12:30 p.m.

**Mr. Chairman:** That is right, Mr. Williams. You will be back tomorrow evening, Mr. Richards?

**Mr. Richards:** Yes, sir.

**Mr. Chairman:** We have Mr. McMullin coming in tomorrow evening, I guess.

**Mr. Wildman:** Mr. Chairman, I understood that tomorrow night there were going to be questions raised regarding the Niagara Escarpment. I had some questions with regard to Indian affairs and also a couple of others. Will I be able to raise those?

**Mr. Chairman:** I have your name down to speak after Mr. Williams and I have Mr. Lane down there. I think we should clean off that part of the slate before we deal with Mr. McMullin and the Niagara Escarpment Commission. He will be here tomorrow evening to answer direct questions. If it is agreeable, we will work on this basis. Perhaps some of our Liberal Party colleagues might see fit to drop in tomorrow night and visit us too.

**Mr. Wildman:** If they do not, it is more likely that I will get my questions in.

**Hon. Mr. Sterling:** Mr. Chairman, I do not think there was any agreement that I understood. I think bringing Mr. McMullin here was just a matter of convenience for members of the committee if they did, in fact, have questions. I hope we would not be limiting the committee—

**Mr. Chairman:** No. We will have two and a half hours tomorrow evening to just clean up the speakers we have on the list right now.

**Mr. Lane:** Mr. Chairman, I will go along with that. I had some discussion I wanted to bring forth regarding a native fishing agreement and other native problems, the same as Mr. Wildman. I am pleased to know that you noted the official opposition has not been attendant at this morning's session.

**Mr. Chairman:** You noticed it as well, did you?

**Mr. Lane:** It would appear that they have no interest in this ministry's estimates. It might help the minister if further time is requested in the House.

**Mr. Chairman:** Let us adjourn until eight o'clock tomorrow evening.

The committee adjourned at 12:34 p.m.

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**From the Provincial Secretariat for Resources Development:**

Richards, K. J., Policy Adviser, Deputy Provincial Secretary







No. R-10

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# **Hansard**

# **Official Report of Debates**

## **Legislative Assembly of Ontario**

### **Standing Committee on Resources Development**

Estimates, Provincial Secretariat for Resources Development

**Third Session, 32nd Parliament**

Thursday, October 27, 1983

Speaker: Honourable John M. Turner

Clerk: Roderick Lewis, QC

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# LEGISLATIVE ASSEMBLY OF ONTARIO

## STANDING COMMITTEE ON RESOURCES DEVELOPMENT

Thursday, October 27, 1983

The committee met at 8:07 p.m. in room 228.

### ESTIMATES, PROVINCIAL SECRETARIAT FOR RESOURCES DEVELOPMENT

(concluded)

**Mr. Chairman:** Committee members, we will start the meeting. Mr. Wrye has a point of concern and order.

**Mr. Wrye:** It is a point of order. Mr. Chairman, I was made aware by you today, when I had some discussions with you informally, of the fact there had been general agreement to reconvene this committee for the purposes of finalizing our draft of the majority report on Weiler's first report, Reshaping Workers' Compensation for Ontario, on Wednesday next in the morning. I do apologize to you and to the committee for the fact that apparently it was not entirely clear that I have a very real problem next Wednesday in that there is in Windsor the official roll-off of the first Chrysler T-115, the new van wagon, which as I am sure you can understand is a very major event in our community.

With the concurrence of the committee I would like to invite all of you to that; but as well, I would like to propose that we substitute Wednesday, November 9, from 9 a.m. to 1 p.m., for the currently proposed Wednesday, November 2, from 9 a.m. to 1 a.m.—or 1 p.m. We may have to go until 1 a.m.

**Mr. Chairman:** Is there any concern with that? I did not see Floyd to talk to him about this particular—

**Mr. Wildman:** Unfortunately, Mr. Laughren is not going to be with us this evening. I do not know his situation for next Wednesday and I frankly do not know his position, because I do not think he was forewarned this would be a problem for Mr. Wrye.

**Mr. Chairman:** I was talking to him earlier in the day, but this came up after I was talking to him, so he is not aware of it. It is a regular sitting day; we are just changing the business of workers' compensation for one week later.

**Mr. Wildman:** As you know, Mr. Chairman, Mr. Swart and I are not regular members of the committee, so I do not know what—

Interjections.

**Mr. Wrye:** If it would help, Mr. Chairman, I did speak generally with Floyd earlier, and he indicated your party was wide open—

**Mr. Wildman:** Oh sure.

**Mr. Wrye:** —presumably if we give them notice; but I suppose to be fair to all concerned, if you are going to agree to this for us, it would be important—

**Mr. Williams:** Is he here now?

**Mr. Wildman:** No, he had to leave this evening. He is going tomorrow morning. There is some event in Sudbury he has to attend.

**Mr. Chairman:** I wonder if somebody could take the responsibility for contacting him, perhaps through his riding office tomorrow—

**Mr. Wildman:** I will check.

**Mr. Chairman:** —and just see if there is any problem that way. Otherwise, we will assume this is the way it will roll. Is that okay? Agreed? Is the minister due along here shortly?

**Mr. Wildman:** I do not like to be picky, but the minister is not present.

**Mr. Chairman:** I was just checking with his deputy to see whether he knows if the minister is on his way in.

**Mr. Thatcher:** No, I have not seen him since the policy and priorities board meeting just after six o'clock. We went separate ways to get dinner, but I presume he is on his way.

**Mr. Wildman:** Jack can take his place.

**Mr. Thatcher:** Me? Thanks.

**Mr. Chairman:** Mr. Williams, you were speaking when we adjourned. Do you wish to hold off until such time as the minister is available?

**Mr. Williams:** I think he perhaps would want to be here. Although Mr. Richards is providing some of the background information on a number of questions I raised to augment the overview the minister gave, it might be appropriate for the minister to be here.

**Mr. Wildman:** I have no objections. On a point of order, does the minister have a parliamentary assistant?

**Mr. Chairman:** I do not believe so.

**Mr. Thatcher:** He has no parliamentary assistant.

**Mr. Williams:** We are on a restraint kick around here.

**Mr. Wildman:** I will not respond to that.

**Mr. Chairman:** Would you like to apply for the job, Mr. Wildman?

**Mr. Wildman:** No, I would not. I just was wondering if he did. Since he does not, I guess we can proceed with the real powers that be, the bureaucracy.

**Mr. McLean:** Mr. Chairman, the escarpment people are here, and I know Mr. McKessock and some of the others want to put questions to them.

**Mr. Wildman:** With respect, Mr. Chairman, I believe I am on the list and I have questions in another area.

**Mr. McLean:** Just change the list. Make it simple.

**Mr. Chairman:** Here he is. We no longer have a problem.

**Mr. Swart:** Can it be considered, though, that there will be some time this evening to discuss the Niagara Escarpment Commission while the chairman is here?

**Mr. Wildman:** Yes, that is agreed.

**Mr. Swart:** I do not really want to run out of time.

**Mr. Chairman:** It was agreed and it is to happen. I have Mr. Williams finishing up; I have Mr. Wildman, Mr. Wiseman and Mr. Lane to speak; and then, subject to the agreement of the committee, we will just cut it off at that point and move into the Niagara Escarpment:

**Mr. Williams:** We had left off on the matter of eutrophication and phosphorus dumping in the Great Lakes, and Mr. Richards was providing some answers.

**Mr. Chairman:** Perhaps Mr. Richards would like to come to the table once again.

**Mr. Richards:** Mr. Chairman, I think there are about three things to recapitulate very quickly in answer to Mr. Williams's questions. One related to eutrophication arising from effluent from municipal treatment plants. The second thing was the matter of funds that had been spent by the jurisdictions in the Great Lakes basin.

**Mr. Williams:** Versus the moneys committed.

**Mr. Richards:** That is right, yes; you had a question as to whether they were committed or spent. Then you had questions with regard to specific areas of concern, and there were five of those.

Just to bring you up to date now with the municipal treatment plants, you did ask about the effluent quality from the sewage treatment plants in Hamilton in 1981 and 1982, and I have been able to sort out those figures from the report.

In 1981 in Hamilton the effluent quality with regard to phosphorus was 2.2, and in 1982 it was 1.2. In Toronto Humber in 1981 it was 1.5, and in 1982 it was 1.2. We also talked briefly about London Greenway sewage treatment plant, and there in 1981 they were in compliance, but in 1982 it was 1.2.

**Mr. Williams:** As I recall, at that time you were not clear as to why they had gone from meeting the standards to more recently having gone over standard. I think you were somewhat perplexed over that, as I recall.

**Mr. Richards:** Yes. In looking at the more detailed report of the committee reporting to the water quality board, the reason they could attribute it to was operational in the sense that, as I explained, sometimes flows fluctuate quite erratically, at storm time in particular. Perhaps they had not anticipated those. It is that kind of reason.

**Mr. Williams:** Does that not fly in the face of the assurances you gave that almost daily monitoring takes place? While there may have been samplings taken during storm periods which probably would have an abnormal results; surely on balance over that sustained period of time, if they are monitoring it daily, weekly and monthly, norms would have been arrived at that would take into consideration, in any given year, storm periods that would have caused washdowns from farm lands or whatever into the sewage. They would not go in the municipal sewage, of course—

**Mr. Richards:** Farm lands would not, no.

**Mr. Williams:** I am just wondering if isolated incidents like that could cause the figure to vary so dramatically, if they are monitoring on such a constant basis.

**Mr. Richards:** I cannot answer that. I would have to ask the Ministry of the Environment for the operational detail of that plant.

**Mr. Williams:** Maybe you could pass that information on to me if you could track it down. I would be satisfied if you could convey that to me by letter.

**Mr. Richards:** Okay.

**Mr. Williams:** Did that cover those sewage

plants, or was there further information on top of that?

**Mr. Richards:** Those were the ones you asked me about. If you want detailed information about each of the plants draining into the Great Lakes basin, the International Joint Commission office in Windsor does have a complete printout of this information from their computer records.

**Mr. Williams:** I presume that in any event, that will be contained in the annual report that comes out, will it not?

**Mr. Richards:** Not necessarily in the annual report, because of the bulk of the information, but I think you could get it on request.

**Mr. Williams:** I see. Well, I do not know whether I would need the complete, detailed monitoring on the daily basis records, and things of that nature—

**Mr. Richards:** You can get it on an annual basis too.

**Mr. Williams:** I will see what you send down to me, and if I want further material, I will get back to you.

**Mr. Richards:** You asked about funds, and you asked as to whether the \$7.66 billion referred to in the International Joint Commission report was spent or committed. It is a mixture of both. In Canada, the funds represent capital commitments for sewage works by all levels of government for the calendar year. To date, that is over \$1.6 billion, nearly \$1.7 billion.

**Mr. Williams:** Is that \$1.6 billion?

**Mr. Richards:** It is \$1.69 billion. In the United States, they represent what they call the eligible project costs, with federal grant approval. Do you want me to repeat that?

**Mr. Williams:** Yes.

**Mr. Richards:** They refer to it as eligible project costs. Those are the costs of the project that are presumably recognized by the federal government as being appropriate, and they have federal approval. Again, they represent municipal, state and federal expenditures. The figures there, for the United States—

**Mr. Wildman:** Is this in US funds, or Canadian?

**Mr. Richards:** That is a good question. It is not clear in this. It just says in millions of dollars.

**Mr. Williams:** It would make quite a difference.

**Mr. Richards:** Yes, it would. It is not clear in here.

**Mr. Williams:** I presume when they are talking on the United States' side, they are

talking American dollars, and here Canadian, but then again, maybe not. I don't know. Let us just assume they are 1983 dollars.

**8:20 p.m.**

**Mr. Richards:** Okay. In any event, you have \$5.9 billion on the States side, to date, from 1971. Both figures are from 1971.

**Mr. Williams:** So that gives you your \$7.66 billion. All right. So that is the money that was targeted for the program. Of that money, how much has actually been expended, or remains committed but unexpended?

**Mr. Richards:** Those are committed funds, to the extent that those will be projects that will be followed through.

**Mr. Williams:** Right. But not necessarily yet—

**Mr. Richards:** That is right. Particularly on the States side.

**Mr. Williams:** I think that is what I was really getting at. What percentage of that would be, while committed, not yet expended? In other words, how far have they fallen behind in projects they are not only committed for, but having made the money available for them, I assume would have been intended to be met within the time period for which they are allocated?

**Mr. Richards:** I would have to go to the detailed tables for each sewage treatment plant to find that out. They have not accumulated it.

I think one of the best ways might be to talk about it in the context of some of these areas of concern, for example, where you might get a rough idea. I could again ask Environment for those figures. Certainly my review of the committee reporting to the water quality board did not have that kind of data in it, that I could find during the day, but I can look again or I can ask the Ministry of the Environment.

**Mr. Williams:** I guess there are only two reasons I was really interested. One is to get some indication as to whether they are on target timewise, on their various projects, and the amount of money allocated and not committed would give some indication as to whether they were running behind or, on the other hand, whether some of these committed projects with the money allocations are proving to be more costly than what was budgeted for.

**Mr. Richards:** I honestly could not answer that. It depends on the projects. Certainly I would have a better feel from the Ministry of Environment for the projects in Ontario, and

possibly in Quebec from the federal government, but certainly not from the United States. That would require more—

**Mr. Williams:** Are you going down for the annual meeting in November?

**Mr. Richards:** Yes.

**Mr. Williams:** Maybe you will get some of that information there.

**Mr. Richards:** I could ask the Environmental Protection Agency people there.

**Mr. Williams:** Okay. Did you want to go then to those specific areas of concern we were talking about?

**Mr. Richards:** Yes. The way these are presented in the board's annual report this year is by a set of columns, roughly the same as in previous years. For the benefit of the committee, I will just describe basically the way the board has approached this. What they have done is identified the areas of concern, as you explained, Mr. Williams, and I do not think I need add to that.

The way the tables are presented is they describe the problem, the environmental problems and their possible consequences, and then they provide an update on the environmental conditions in these areas and the remedial programs that may have been adopted by the jurisdictions involved.

You mentioned the Niagara River, St. Marys River, St. Clair River, Cornwall-Massena, and Hamilton Harbour. Those are the five that came up in my notes.

I will deal with the Niagara River first. Maybe I should ask you how I should present this, because I have the advantage of the tables in front of me and you people do not.

**Mr. Wildman:** Why not just table the tables?

**Mr. Richards:** I do not know if that is in order. That would be up to the chairman.

**Mr. Wildman:** Is it in order, Mr. Chairman?

**Mr. Chairman:** I am sorry, I was—

**Mr. Wildman:** I suggested he just table the tables he is reading from.

**Mr. Williams:** I would like to have an explanation of what is in the tables. Part of the significance is the information about the tables.

**Mr. Richards:** The Niagara River: The description of the problem is that the sediment is "severely contaminated with conventional pollutants, heavy metals, PCBs, industrial and agricultural organic chemicals." There is benthic fauna, which is "severely disrupted, and

confined disposal of dredged material is required." The fishery has been impacted by polychlorinated biphenyls, mercury, industrial and agricultural and organic chemicals. There are water violations for faecal coliform, heavy metals and several organic substances.

The explanation of the situation for, essentially, the period from the latter part of 1982 to the early part of 1983 is that a fish consumption advisory warning was issued for larger specimens of American eel and coho salmon because of PCBs and Mirex levels. Dioxins and other toxic organic compounds have been identified in "sediment, fish and water from river and its tributaries near industrial disposal sites."

A report is "expected in early 1984 on Niagara River toxics investigatory program addressing major municipal and industrial discharges, active and abandoned hazardous waste disposal sites; toxic limits and discharge permits to be established for identified sources.

"Litigation in progress for several prime polluters. Industrial pre-treatment programs for Niagara Falls, NY, sewage treatment plant approved in July 1983."

**Mr. Wildman:** Is this a public document that we are reading from here? If it is, then why are we reading it into the record? Why do we not just say, "All right, here, have it."

**Mr. Williams:** It is because I want the information for the record.

**Mr. Chairman:** It is customary in these committee hearings for all members of the committee to seek out information. That seems to be the purpose of the estimates—not that we are particularly worried about dollar figures, but to get information—and I think there is room for that on both sides of the House. Carry on, if you would, please.

**Mr. Wildman:** I was just thinking that in the interest of freedom of information we could table the document.

**Mr. McKessock:** You mean we are not worried about dollars?

**Mr. Chairman:** We seldom do. We seem to—

**Mr. Richards:** I will try to be as brief as I can, Mr. Chairman. There are two more items to be dealt with under Niagara. One of them is that permits for certain actions on the United States side were issued to 16 municipal and industrial facilities. There are seven of those permits undergoing public review and four are being reassessed. Industrial and pre-treatment discharge limits are being developed based on what they call "best professional judgement."

Finally, the United States Geological Survey "has completed hydrogeology surveys of 76 disposal sites and reviewed information on 83 additional sites. A final report will be released in early 1984."

**Mr. Williams:** Is that along the full stretch of the Niagara River that those sites are located or are they in the specific chemical dump sites that they are—

**Mr. Richards:** No, we are talking about the entire length of the Niagara River here, from Buffalo down to Niagara-on-the-Lake.

We will move on now to the St. Marys River. The problem there is the sediment in the river is polluted with iron, zinc, phenol, PCBs and cyanide. Phenol violations in the water extend across the international boundary. There are also ammonia and cyanide violations. Recreational uses of the river are restricted as a result of bacterial contamination.

**Mr. Williams:** Does the report identify the polluters?

**Mr. Richards:** Not specifically in here, no.

**Mr. Wildman:** There should be an extension on the control order too.

**Mr. Richards:** There are four points to be made here. One is there were fish consumption advisories issued in 1982 for mercury contamination of certain larger species of fish, which is caused by former upstream sources in the Lake Superior basin.

Second, there is the transboundary phenol pollution problem, which was identified by the International Joint Commission in 1948 and is due to industrial waste discharges in Ontario and that continues.

It says here that: "Because of economic conditions, Algoma Steel has received 18-month extension (to 1990) in program to reduce suspended solids, cyanide, phenols, sulphates and ammonia." The possible restoration of the original program is under quarterly review. The phenol controls are expected to resolve transboundary problems by 1987.

Third, there is a study under way to improve the Sault Ste. Marie sewage treatment plant for phosphorus removal and disinfection, in order to protect shoreline recreation uses. It is not clear whether that is Sault Ste. Marie, Michigan, or Sault Ste. Marie, Ontario.

8:30 p.m.

**Mr. Williams:** In their 1981 report, they identified it as the Ontario side of the river.

**Mr. Richards:** Fourth is that the natural, physical and biochemical processes are expected to reduce sediment contamination and restore the benthic fauna. There was a further sediment identification survey scheduled for 1983 in that area. We would not have been able to report that in this document.

This again deals with Ontario and Michigan. The sediment in the St. Clair River is "contaminated by PCBs, mercury and other heavy metals; confined disposal required for dredged material and recovery of benthic fauna impeded." The fishery has been impacted by mercury and PCBs and there are consumption advisories on certain fish species. "Local recreational use limited by bacterial contamination. Phenol violations in water."

Dealing first with mercury levels in fish, they continue to decline but consumption advisories are still in effect because of mercury and PCBs. Dioxins and organic lead have now been identified in the fish. They point out that phenol levels in 1982 "complied with agreement objectives along the Ontario shoreline." A fish collection program has been established downstream of Ethyl-Canada as part of the routine sport fish contaminant program.

**Mr. Williams:** Then in 1982 they have met the standards that have been imposed. Is that what you are telling us, that they have further cleanup to do but, as far as reduced pollution standards have been applied, they are meeting those higher standards?

**Mr. Richards:** It looks as if people are coming to grips with the problem, but there is still some caution, especially with regard to fish. As it says here, "Remedial measures are being implemented and regulatory actions being taken at area industrial discharges." It says: "However, industrial waste control programs at the Sun Oil refinery in Ontario delayed. Study of industrial effluents by Ontario Ministry of the Environment and Environment Canada is expected to be completed in December 1983."

**Mr. Williams:** Is that Suncor?

**Mr. Richards:** It says Sun Oil refinery here.

"Finally: "Bacterial contamination problem will be addressed by sewer separation programs. Studies to establish presence and distribution of organic substances in ecosystem and identify sources may lead to additional controls, if warranted." It also mentions that natural river processes themselves are contributing to the restoration of the ecosystem.

The next one is Cornwall-Massena.

**Mr. Williams:** I think this is the one the minister is particularly interested in.

**Mr. Richards:** The problem is: "Sediment contaminated with nutrients, heavy metals, oil and grease and PCBs. Fishery impacted by mercury and PCBs." There are several consumption and sale restrictions or advisories in existence. There are "Water violations for PCBs, heavy metals and several organic substances." And there are some restrictions on recreational use "downstream of Cornwall because of bacterial contamination."

There are two paragraphs to this next section on progress so far. They are rather long ones.

First: "Several discharge violations noted for municipal and industrial dischargers; remedial works under construction to control conventional pollutants, but not phosphorus on New York side. Loadings of conventional pollutants from Ontario industrial resources reduced in 1982. Controls on municipal sources of bacterial contamination are under development and expansion of waste water treatment plant and control of combined sewer overflows at Cornwall, Ontario, to be completed by 1985."

The next paragraph goes on to talk about polychlorinated biphenyls. "PCBs elevated in water downstream from General Motors foundry and Reynolds Metals." That is on the US side. "Other sources of PCBs and heavy metals, and need for further remedial action still under investigation. Some controls in place for PCBs. Control for other toxics under consideration, including pre-treatment requirements. Domtar effluent responsible for occasionally high downstream bacterial levels to be brought under control; control of high phenol levels under study." At present, Dupont of Canada is exceeding acceptable lead levels.

Finally, Hamilton Harbour. The problem there is the sediment is contaminated with nutrients, PCBs and heavy metals. Again, the confined disposal of dredged material is being required there.

**Mr. Wildman:** Is that where George Kerr went swimming?

**Mr. Richards:** I do not know. "Depressed dissolved oxygen levels from municipal and industrial discharges, polluted sediments and algal decay limit the harbour as a fish habitat. Water violations for nutrients, cyanide, phenol, iron, zinc and conductivity." And they talked as well about the "Diminished aesthetic quality and poor water quality" deterring broader recreational use of the harbour.

The current status of the situation is that

rainbow smelt and northern pike—that is a certain size, and they talk about 45 to 75 centimetres—are "now suitable for unrestricted consumption." However, there is a "high incidence of tumours and some malformation of gills reported in coarser species of fish," and the cause of that is under investigation.

Second, the sediments in the Windermere basin are highly contaminated with heavy metals and PCBs, but it is mentioned here that they may not be having an impact on the water quality.

Third, Stelco and Dofasco: the situation there is that remedial works are under construction to eliminate load limit violations. "Stelco still not meeting phenol requirements, but Dofasco now in compliance for phenol." I am sorry about this, but I am not too sure if it is phenol or phenyl.

**Mr. Thatcher:** Phenyl is the vegetable. Phenol is the chemical.

**Mr. Williams:** To what extent is—

**Mr. Richards:** Phenol, then. "Phenol loads reduced because of decreased production levels and improved waste treatment at the steel mills."

**Mr. Williams:** You indicated Dofasco was on target, but Stelco still had not come into compliance. To what extent are they varying from compliance?

**Mr. Richards:** I do not have that information. I would have to get that from the Ministry of the Environment. I could get that.

**Mr. Williams:** What was the time limit they were given in which to conform?

**Mr. Richards:** It is not mentioned in this report. Again, I would have to refer to that more detailed report.

**Mr. Williams:** See if you can get that for me as well.

**Mr. Richards:** Associated with this very thin report are five or six volumes of very voluminous reports giving much more detailed data. This is essentially a very good base reference document.

**Mr. Chairman:** Perhaps next year we can read the whole thing.

**Mr. Richards:** I will be brief. With regard to the Hamilton sewage treatment plant, it "marginally exceeded" the phosphorus objective. We spoke about that last day and also a few minutes ago.

**Mr. Williams:** That is in conflict with what they said in the annual report. In that, they said

the greatest contamination is in the area adjacent to municipal and industrial discharge sites. That surely would be the sewage treatment plant, would it not?

**Mr. Richards:** That is right. I guess in terms of the sewage treatment plant, they are talking about the quality of the effluent coming from that plant directly, before it even hits the bay itself. Once you are in the bay, you get mixed up with the other problems, which are much more complex.

It also says that further reductions may be required in BOD and ammonia loads to alleviate dissolved oxygen problems, and a water management study is under way to determine further possible remedial measures on that matter.

8:40 p.m.

**Mr. Williams:** That is very good. I think you were able to capsule a very complex subject well. It gives a better appreciation of what is happening and what is being done. As the chairman says, it will be interesting to see what the reports produce next year and what progress has been made in those areas of concern.

That Hamilton harbour situation is obviously going to take the longest period of time to remedy if they ever do it at all. That was helpful.

**Mr. Chairman:** Are there any other questions of Mr. Richards?

**Mr. Wildman:** I do have some questions but I understand the minister indicated he wanted to come back.

**Mr. Chairman:** He will be back in a moment.

**Mr. Wildman:** I have a number of questions but most of them deal with native affairs. However, I do have one question regarding the International Joint Commission and that relates specifically to the proposal before the American Congress at this point for winter navigation on the Great Lakes. They are talking about year-round navigation on the Great Lakes and, I believe, 10-month navigation on the St. Lawrence Seaway system.

As I understand it, there is a serious split in Congress regarding this. It is proposed by a Republican congressman named Stangeland from Minnesota. I have yet to figure out why, except that 1984 is an election year. It is opposed, almost unanimously, by both Republicans and Democrats from Michigan and I understand there is a great deal of opposition as well in New York state.

I must say I welcome the comments made by the Minister of Environment of Ontario, Mr. Brandt, expressing his concerns about the fact

this matter came before the American Congress without any notice to the Ontario or Canadian governments, and indicating his opposition. Obviously, coming from Sarnia, he is interested.

I am particularly concerned about the effects it will have on the St. Marys River and, specifically, on the very narrow channel between St. Joseph Island and Neebish Island, St. Joseph Island being Canadian and Neebish American. Mr. Brandt is probably very concerned about the effects on the St. Clair River and north of Detroit.

As I said, I do not understand why it has come up because even the Great Lakes shippers indicate there is not enough business at this time to justify an extension of that sort to the navigation season. Certainly, the St. Lawrence Seaway Authority has expressed grave concern regarding the cost of the works that would be entailed and also the same kinds of concerns I have regarding the effects on the ecological system.

I am concerned about the effects the ice-breaking would have on shoreline erosion and on the fish populations. Even in summer time on the St. Marys River, the lakers only have about a foot to a foot and a half clearance between the bottom of the ship and the bottom of the river. If one is talking about ice conditions and breaking ice, they are going to be scraping the bottom. There is going to be sediment entailed with that, ruining spawning beds and so on.

The United States Army Corps of Engineers is a proponent of this, but I have been unable to find any other supporters. I appeared at a congressional hearing in Sault Ste. Marie, Michigan, of one of the House subcommittees in opposition to this and there were 18 other presentations made by American groups, all in opposition.

As I said, I welcome the statement by Mr. Brandt. Has there been any suggestion that the International Joint Commission should look at this proposal? My understanding of their mandate is they may look at anything that would affect the water levels in the lakes, and this certainly would do that.

If that is the case, do I understand correctly that before they can deal with anything like this, it has to be referred to them by either the Canadian government or the American government or both?

**Hon. Mr. Sterling:** My concern is as deep as yours, having a riding which would be very much affected by the opening of the St. Lawrence system during the winter. I think Ontario

is clearly on the record as having many concerns, as you have outlined, so there is no difference in our concern about it.

There is no split between the Canadian government and the Ontario government in our opposition to the move at this time. We have expressed our doubts as to the economic viability of such a move. As you have indicated, the shippers and those people knowledgeable in this area have indicated they cannot really see how it is going to pay for itself.

Taking into account the effects on all the environmental considerations, we have supported the Canadian move and I understand the Canadian government has made its views known to Washington.

**Mr. Wildman:** Yes, they presented a diplomatic note to the State Department indicating opposition.

**Hon. Mr. Sterling:** That is right. Whether or not the International Joint Commission will be able to stop the US Army Corps of Engineers, I do not know.

I do know that the upcoming meeting in November is perhaps going to be more of a political event than such a meeting has been in the past. Mr. Richards has told me about the composition of that meeting. I do not know whether or not this matter is going to be brought up but it may, in fact, be a good opportunity to raise our concerns about it, in particular with regard to the fact that I cannot understand who is going to be a winner in all of this. If there is an economic advantage, then the shippers are not going to be at an advantage.

Why go to the possibility of environmental damage? It does not make sense to carry it forward unless it is based on—

**Mr. Williams:** Mr. Chairman, had you thought of locating in another committee room? I think this party next door might get a little noisier as we go along in the evening. I do not know whether we can really continue here and get the job done if, as I suspect, the noise is going to get a little louder.

**Mr. Chairman:** It will get louder as time goes on.

**Mr. Williams:** Is there another committee room available?

**Mr. Chairman:** We will have to ask the clerk to check that out; meanwhile, we can carry on.

**Mr. Wildman:** Just in regard to what the minister said, I certainly agree with that. Frankly, although I am happy about the Department of External Affairs presenting the note to the

State Department, I am a little unhappy about the position taken by the federal Minister of the Environment who seems to be treating this whole thing not too seriously, as though it is not likely to happen.

When I met with the congressional people, my information was that although it is not likely to pass, it is certainly not a sure thing that it will not pass because it is appended to a very popular water resources bill which has, I hesitate to say, something in the pork barrel for almost everybody in it. It is very popular and they want it passed, which is why it has been appended to that bill. Things work somewhat differently there than they do in Ontario.

**Hon. Mr. Sterling:** Maybe I will ask Mr. Richards who, of course, is a member of the water quality board of the International Joint Commission.

**Mr. Wildman:** Just before he comments, I do have a letter from the chairman of the Canadian section of the IJC. If I read his letter correctly, it states that the IJC cannot take a position until the matter has been referred to it, either by the American government, the Canadian government or both.

8:50 p.m.

**Mr. Richards:** That is right. That is written in the legislation that was formally adopted between the two countries in 1909 when the International Joint Commission was established.

**Mr. Wildman:** Unless the Canadian representatives raise the matter at the meeting that is coming up in Indianapolis—is it Indianapolis?

**Mr. Richards:** That is right, yes.

**Mr. Wildman:** —then it is not likely to be raised. What I am really saying here is I hope the Ontario government will prevail upon the federal people to raise this matter at the meeting.

**Hon. Mr. Sterling:** I will certainly bring that matter to my colleague's attention. I hope I can raise it and request that the Canadian government bring the matter to the attention of the International Joint Commission. I think it is a good suggestion, and I am quite willing to follow and endorse that position.

**Mr. Wildman:** Thank you. I have a couple of other questions before I get to native affairs. I want to take a position that is somewhat at variance from that of my colleague the member for Lake Nipigon (Mr. Stokes) yesterday with regard to herbicides.

Unbeknownst apparently to the Premier (Mr. Davis), there are farmers in Algoma district. I

grew up in a farming area. I know a little bit about the kinds of herbicides that are used in farming and the method of application, and I would be somewhat concerned, more than somewhat concerned, if Round-up were approved for use in forestry. I want to make that clear.

I am not not an expert, but I think the effects on wildlife would be rather serious if there were a lot of drift, especially if it affected water sources. Having said that, I am very concerned about the continuing approval and use of herbicides in Ontario, the safety of which has been called into question in the United States because of the Industrial Bio-Test Laboratories Inc. controversy there. I am specifically concerned about Tordon 101 and Tordon 10K pellets which are made up of 2,4D and picloram. Picloram has been called into question.

**Hon. Mr. Sterling:** I know it is up to the committee members to decide what subjects they may want to discuss, but as I indicated in my opening remarks and subsequently to them—

**Mr. Wildman:** I realize you are not a line ministry.

**Hon. Mr. Sterling:** That is right. I know there are a number of other matters we want to talk about and I am anxious to hear what the members of the committee have to say about those.

My reply in terms of specific issues about herbicides and insecticides will probably not be that enlightening. It is rumoured that a lot of ministers would like to have matters talked about which they cannot respond to.

**Mr. Wildman:** I understand that.

**Hon. Mr. Sterling:** I do not know where you are leading or whether it would lead into my responsibilities, so that I, Norman Sterling, as Provincial Secretary of Resources Development can do something in a positive sense in regard to the problem you are raising.

**Mr. Wildman:** Correct me if I am wrong, but I understand that your deputy minister is part of the deputy ministers' committee on occupational and environmental health.

**Hon. Mr. Sterling:** Yes, and I sit on six cabinet committees as well. There are a lot of things you can relate to—

**Mr. Wildman:** No, I am not trying to pull things in, and I do want to talk about native affairs. The reason I am raising this, obviously, is I want to get a point of view on the record after having listened to my distinguished colleague from Lake Nipigon.

I just hope the deputy minister in his capacity on that committee might prevail upon the Deputy Minister of Environment to at least find out who is responsible in the ministry for answering letters and to suggest to that ministry that it is common courtesy when a letter is sent in July about a very important issue, to respond by late October. I will leave it at that.

I just want to mention two other matters with regard to that committee. The question of radiation problems in Scarborough was raised in the House today and the Minister of Intergovernmental Affairs (Mr. Wells) indicated that perhaps the home owners in that area should be entitled to a lowering of their assessment as a result of the problems they have faced with radiation on their properties.

I am sure my colleague from Algoma-Manitoulin (Mr. Lane) finds that as interesting as I do when one considers Elliot Lake and Blind River and the North Shore and the radon daughters that people in those areas experience in their properties. Certainly if we are going to look at assessment changes in Scarborough, perhaps we should start looking at places like Elliot Lake, Blind River and the North Shore.

**Hon. Mr. Sterling:** I might add that it is not confined to the north.

**Mr. Wildman:** No, I know it is not. It is a problem in the Ottawa area too, for that matter.

One other issue in that regard is the question of disposal of waste asbestos. We had a situation just recently in our area where waste asbestos from the Sault Ste. Marie federal airport was being disposed of at the Elliot Lake landfill site without telling anybody or the workers, at least, what they were dealing with. That has been discontinued because of the municipality changing its position.

My question is, where are they going to put it now and are they going to tell people about it before they put it there? I will leave that with you and perhaps you can check with the Minister of the Environment (Mr. Brandt).

I would like to get now to the main—

**Mr. Chairman:** Before you get into that, we are advised that we can move into committee room 151. I was going to say they have quieted down, but I guess the party is still going on.

**Mr. Wildman:** It does not matter to me, whatever you want to do.

**Mr. Chairman:** Whatever the committee wants to do. Do you want to move or do you want to

gamble that noise might die down next door to us?

**Mr. Lane:** Let us join them across the way.

**Mr. Chairman:** Now there is a good idea. Has anybody got any strong feelings one way or the other? Shall we stick it out? We are going to lose 10 or 15 minutes.

**Mr. Lane:** We can outvoice them.

**Mr. Chairman:** Okay, carry on, Mr. Wildman.

**Mr. Wildman:** I would like to deal now with one of the central concerns of the minister and that is native affairs. The deputy minister will recall that a year ago he supplied through the Office of the Premier an answer to a written question from my colleague, the member for Riverdale (Mr. Renwick), which was question 226 on order paper 67. Mr. Renwick had asked if the ministry would table a comprehensive list of all issues known to the government to be outstanding between native peoples in Ontario and the government.

**Hon. Mr. Sterling:** Forty issues.

**Mr. Wildman:** Yes, and there were 40 issues. That was a year ago. I have the list before me; I do not know whether the minister has it.

I would like to know if you could outline for me in total numbers—and I am just talking about numbers here; I do not necessarily think we need to go into all of the particular issues—how many of those issues have been resolved in the year intervening.

**Hon. Mr. Sterling:** As the member knows, I have had this responsibility since July 6 and in anticipating a question of that nature I asked the ministry staff to look into the 40 issues and see what, in fact, the situation is.

Of the 40 issues, there are four issues that are before the court. I do not think we have any chance of dealing with those until the courts deal with them.

**Mr. Wildman:** I agree with that. The last minister indicated he thought the Ministry of the Attorney General was very much involved and was helping to resolve these issues. I pointed out the reason they were involved was because they were before the courts.

**Hon. Mr. Sterling:** Well, for whatever reason, in a number of these issues, in fact, in a majority of the issues, we have basically three bodies involved. We have the federal government, the provincial government and the native groups, be they individual groups, bands or reserves. So there are the three components.

Of those, 14 issues are under active negotia-

tion by line ministries. We have 19 issues which have been addressed, I understand, as of this date. There are two issues that I am actively negotiating.

9 p.m.

**Mr. Wildman:** What are they?

**Hon. Mr. Sterling:** The two issues?

**Mr. Wildman:** Yes.

**Hon. Mr. Sterling:** I will have to look at what numbers 36 and 37 are. I would imagine one would be—

**Mr. Wildman:** Islington and Grassy Narrows.

**Hon. Mr. Sterling:** Yes.

**Mr. Wildman:** The delivery and cost of services to status Indians as opposed to federal involvement.

**Hon. Mr. Sterling:** Yes. My particular responsibility in this area—and I do not know if you were in the room when I talked about how he is going to try to look at these issues and deal with them—is for me to settle a time schedule in the next year for the cabinet committee on native affairs to deal with each and every one of the outstanding issues and try to set some kind of time frame at least to get the resolution of the issues on the table.

That is as good a response as I can give without going through each and every one of them and saying something about them.

**Mr. Wildman:** I would like to deal specifically with those two and then go on to a couple of other things.

Specifically with the Grassy Narrows band and the Whitedog mediation process, I think the minister was present when I read into the record in the House a letter written in July by the chief of one of those bands to the Minister of Natural Resources (Mr. Pope) indicating they had not had a fresh fish shipment since May, when the government made at least the minimal commitment that if the band members could not fish in the local water because of mercury pollution, they would provide them with the fish.

Can the minister comment on what is happening there? Has that problem been resolved and what led to the delay in obtaining the fish?

**Hon. Mr. Sterling:** I am sorry. I cannot comment on the specific stocking issue. I understand the responsibility is with the Ministry of Natural Resources.

It is only at Grassy Narrows that there seems to be a problem. Is that correct?

**Mr. Wildman:** As far as I understand it.

**Hon. Mr. Sterling:** I was talking with Chief Mandamin about a week ago and he did not indicate any problem with his freezer or the problem of stocking it. I will undertake to obtain an answer for you.

**Mr. Wildman:** With regard to the mediation that broke down with one of those bands—the other one has been progressing more favourably—I am not trying to be provocative but I sincerely believe that one of the reasons that mediation process ground to a halt was that the former minister, your predecessor, took the approach of what he called “clarifying the draft agreement.”

In the process, he clarified \$1 million out of it by changing a draft agreement from ownership for a greenhouse and land to a lease agreement, by which it would be possible to have the ownership revert to the provincial government at some future date if that were necessary. In my view, that is a lot more than a clarification. It resulted from negotiations, or discussions at least, between people from Kenora and Ear Falls who objected to the terms, apparently, of the draft agreement.

I understand federal Minister of Indian Affairs and Northern Development John Munro has attempted in the last few weeks to get that process back on the tracks and has suggested a meeting. I received a letter from the minister in this regard saying he would co-operate. What has been the role of your secretariat in getting that process back on the rails and finally bringing this mediation to an acceptable end for the parties involved?

**Hon. Mr. Sterling:** When I found out about the negotiations that had gone on and what had happened with regard to the agreement, I invited Chief Mandamin and his representative, along with—

**Mr. Wildman:** Mr. Cross.

**Hon. Mr. Sterling:** —Mr. Hartt, to come and talk with me. At first there was some reluctance on the part of Chief Mandamin, for whatever reasons he may have had, to talk with me directly.

About two weeks ago Chief Mandamin and his representative, along with Mr. Justice Hartt, met with me for about two hours. We discussed various terms of the agreement. I might add also that Mr. Munro has not written to me about this matter in dealing with negotiations between the Islington band who live at Whitedog and the Ontario government.

For clarification for the other members of the

committee, there are basically two sets of negotiations going on between the Whitedog band and other bodies. They are between Whitedog band and the Great Lakes Forest Products Ltd. and between the Whitedog band and the provincial government. I was dealing with the latter.

I am happy to report that both Chief Mandamin and I have agreed to try to conclude these negotiations by December 15. We have also set our next meeting for November 15. I had a two-hour meeting with Chief Mandamin last week or the week before—I lose track in this business. As you know, Mr. Wildman, the weeks and the weekends run together.

A week ago today, I believe, Chief Mandamin and I established a fair amount of trust in the negotiations that were going on. We talked about various alternatives to the stumbling blocks that are still outstanding in the agreement. Because Mr. Pope, who is important to the agreement, has been away this week, I have not been able to discuss the alternatives I have put forward and which, I must admit, were received with some consideration by Chief Mandamin and his advisers. There were several proposals dealing with the various issues involved.

I am looking very optimistically towards a solution to the long outstanding negotiations that have gone on between our government and the Islington band. We have established a trust relationship, and I think it is going to lead to a positive result in the not too far distant future.

**Mr. Wildman:** In regard to the ongoing constitutional process, could the minister explain the relationship his secretariat has with the Ministry of Intergovernmental Affairs which, as I understand it, has the lead role in negotiations with the first ministers and the native peoples?

**Hon. Mr. Sterling:** Three ministries and three ministers will be involved in the constitutional discussions next week, November 2 and perhaps November 3, depending on how long the preliminary conference goes on in relation to the agenda. Together with the Attorney General (Mr. McMurtry) and the Minister of Intergovernmental Affairs, I will be meeting with my counterparts, along with native leaders, not only from our province but across Canada, in trying to determine what the agenda for the constitutional meeting will be.

Along with the aforesaid ministers and the Premier, I met the native leaders to discuss what their desires and wants were in relation to the upcoming constitutional meetings. It is difficult in some ways for a new minister like myself to

enter into these kinds of discussions without the aid of a minister like the Minister of Intergovernmental Affairs who has had the experience. I appreciate his experience along with the legal expertise of the Attorney General in approaching these conferences.

9:10 p.m.

I want to tell you I am taking an active role in those conferences and an active part in what I think the secretariat has to do in advisory role to our first minister in what positions he might take at the conference.

**Mr. Wildman:** In that regard, I understand that last year the Chiefs of Ontario office, which represents four of the Indian organizations, received \$120,000 of the \$200,000 set aside for all aboriginal peoples in Ontario to prepare for the last first ministers' conference. As we all know, the last conference, although it was not certain beforehand, took a mainly procedural approach, although it did deal with some substantive matters.

I think we would all agree that the next conference is going to deal with more difficult and more substantive issues. These are not going to be easy to resolve, and it is going to take a lot of research for all people, all organizations, all provinces, the federal government, the Indian organizations, Inuit, Metis and nonstatus organizations to be prepared for that conference.

I understand that the four Indian organizations of Ontario, Treaty 3, Treaty 9, the Union of Ontario Indians and the Association of Iroquois and Allied Indians requested a total of approximately \$610,000 from the provincial government. In response, the provincial government indicated it was prepared to provide the same amount of dollars it provided last year, which obviously does not even take into account inflation, although we are given to understand that inflation has been minimal over the last year.

It is interesting to note that the provincial government in its preparations has a number of ministries involved, the Ministry of the Attorney General, the secretariat, the Ministry of Natural Resources, the Ministry of Intergovernmental Affairs, the Ministry of Citizenship and Culture and the Ministry of Education.

I would think the numbers of staff people involved in preparations for all those ministries could add up to a considerable sum, but the total amount set out for Indian organizations this year is the same as last year, \$200,000. That breaks down as \$21,600 per year for the Associa-

tion of Iroquois and Allied Indians; \$27,600 for Treaty 3; \$35,400 for Treaty 9; \$50,000 for the Ontario Metis Association; \$30,000 for the Native Women's Association of Canada; and \$35,400 for the Union of Ontario Indians.

If I look at those figures, in terms of expertise that is about enough to hire one staff person for each organization, depending upon how much they contract them for. In a couple of situations there may not be enough even for one person, certainly not for the Association of Iroquois and Allied Indians. I wonder what kind of commitment the provincial government has towards assisting the Ontario Indian, Metis, and nonstatus associations to prepare themselves adequately for this conference.

**Hon. Mr. Sterling:** In fact, the natives may be better prepared than we are for these conferences. I will tell you why.

While you say the other ministries have great resources to prepare their papers and the rest of it, the Premier gave his commitment yesterday—I must say on our advice and at our request—that the provincial government's papers would be shared with the native associations. Therefore, we are sharing with them our research on self-government and on the culture and language issues.

There are three papers in all. There is one other paper which has to do with the land issue. I have had requests from the counsel for the associations to share with them these government papers.

In addition to that, they will have some additional sources of revenue. As you know, the \$200,000 which—

**Mr. Wildman:** Which is the same as last year.

**Hon. Mr. Sterling:** Yes. The interesting point is that yesterday afternoon I sat, along with the Premier, Mr. Wells and Mr. McMurtry, for three hours, from 3:30 to 6:30. We discussed a number of issues and the issue of financing never came up.

**Mr. Wildman:** Was Joe Miskokomon at the meeting?

**Hon. Mr. Sterling:** Yes, Joe was there. The need for financial assistance was perhaps not as high on the priority scale as I thought it might have been. I told the Premier that there was a request for \$600,000 from the native associations, which later was reduced to something like \$95,000, but when we met yesterday there was no request for any additional amount of money.

**Mr. Wildman:** I will not prolong this, but during the debate on the motion in the House

you mentioned one of those organization's grants had been provided to it. Have the others been given their moneys as suggested in the figures I read out, or are they still awaiting the release of those funds?

**Hon. Mr. Sterling:** I understand all of them have, except the Metis. We are awaiting a response for some additional information from them as to how they are going to utilize those funds.

**Mr. Wildman:** I will have to talk to Duke Redbird and George McGuire.

In that regard, I am going to ask a philosophical question, and it is not just for philosophical reasons. I would like to hear your views on this. I do not want to put you on the spot. I mean that sincerely because I know you have been in this situation for only a short period of time. But I think it is central to the constitutional process and to the settling of many, if not all, of the outstanding issues between native organizations and the provincial government.

What exactly is meant, in your view or in the view of the government, by the terms "aboriginal" and "treaty rights"? What are they?

**Hon. Mr. Sterling:** I guess I would have to answer in the same way as all of the ministers who inserted this into the Constitution. I was not part of that original process, but my answer is that I do not know and they do not know. The fact of the matter is that nobody has defined those terms sufficiently.

**Mr. Wildman:** Okay, that is fair. Obviously, that is going to be the central issue at the next conference, I would think.

I am not a lawyer, unlike you, but in my view, aboriginal rights are related directly to the relationship between the aboriginal people and the land, land that they have occupied from time immemorial. I would myself dispute, again as a nonlawyer, the suggestion that most rights, whether they be aboriginal or treaty, are somehow related to the proclamation of 1763, in which the imperial crown recognized that the aboriginal people in North America had some title to the land they had occupied even in a nomadic way.

In my view, that document could not grant rights to people; it was simply a recognition of rights that already existed. I think that is a central issue.

9:20 p.m.

Having said that, what is the position of the government with regard to the term "existing"? Does the provincial government of Ontario

accept the continuation of the term "existing" in the Constitution? If it does on the basis of the argument that was put in the House, that the term "existing" does not really make any difference to aboriginal and treaty rights, I think that then begs the question. If it does not make any difference, then why not take it out?

**Hon. Mr. Sterling:** It makes it a moot point if we take the position, as we have, which has been reiterated by the Attorney General, that it does not make any difference whether it is in or out. If we know that at least several other provinces will not tolerate the fact that it would be removed from section 35, then it becomes even more of a moot point to us as to whether or not we argue or are concerned about it.

In other words, if some number of provinces say to us, "Under no circumstances are we going to remove it," then it is no longer an issue. That, I think, is our position at this time.

**Mr. Wildman:** Obviously, those provincial governments must think it makes a difference.

**Hon. Mr. Sterling:** Obviously, yes.

**Mr. Wildman:** There are three other things I want to raise. Then I know my colleague the member for Algoma-Manitoulin has some questions to raise, and the people from the Niagara Escarpment Commission are here to answer questions. I will not prolong it any longer than I have to.

I want to raise the question of the Assabaska land claim, and for the purposes of Hansard that is "Assabaska;" it is not "Athabaska," as Hansard insists on spelling it. Just because there is no place on the list of place names in Canada spelled "Assabaska" does not mean this has to be Athabaska. That is out in the Prairies.

**Hon. Mr. Sterling:** How do you spell that?

**Mr. Wildman:** This is a claim that has been going on for some time, a claim involving two bands, the Big Grassy band and the Sabaskong band, or Onegaming band, as it is officially called. It goes back to the 1930s. I will not go over the whole history of it. I am sure the minister is aware of it.

What I am concerned about is that when the federal and provincial governments finally recognized their errors in alienating land from the reserve in 1977 and began negotiations, they seemed to progress until last July, when the bands at least thought they had a commitment for a resolution. They put all their cards on the table, only to be faced by negotiators for the provincial government who had not been involved before. At the 11th hour we had the provincial

government holding everything up because the people they sent to the meeting were different from the ones who had been in the previous negotiations. They said: "Look, we have to sort out who is really at fault here. Is it the federal government or the provincial government?"

For heaven's sake, why did you not keep the same people involved? Why did you send new people? Why would this happen? I should have asked for Ted Wilson to come in and answer the question.

**Hon. Mr. Sterling:** I have to admit I am not familiar with this issue. Mr. Pope's estimates are on November 15, and if you would ask him that particular question maybe you would receive a more direct answer.

**Mr. Wildman:** I am not playing games here, but I do know that the secretariat is responsible for co-ordinating the government's response to Indian issues. I realize the land claims are central to the Ministry of Natural Resources, and I know Ted Wilson and I know the people involved there.

But when you run into problems like this it just does not indicate to me the kind of commitment to aboriginal and treaty rights that the ministers of this government were stating in the House during the debate on the motion, when you are settling a land claim that is obviously related to aboriginal and treaty rights—this one is directly related to treaty rights—and it founders because the province gets into a hassle with the federal government and does not keep the same negotiators involved.

I would hope your secretariat would be interested in that and would not just leave it to the Ministry of Natural Resources, that you would go to the ministry and ask, "Why did this happen and what can be done to resolve it and get things going again?"

**Hon. Mr. Sterling:** I will note your remarks. I think I have indicated before to this committee that it is my concern to resolve as many issues as I can with the native people, and I take that as notice.

**Mr. Wildman:** Okay. My colleague the member for Lake Nipigon talked about the Lansdowne House, Webequie and Summer Beaver claims and the problems with them. I will not go into that. He also talked about the Indian fishing agreement—

**Hon. Mr. Sterling:** Incidentally, since Mr. Stokes indicated those concerns I have written to Mr. Munro and asked him why he would not accept our request to transfer some lands to

these people and what his objection is to paying what I consider a very small amount of money in order to maintain a principle that perhaps would have some bearing later on in time. The money we are talking about here is really an insignificant amount and I am just trying to get to the bottom of the issue.

**Mr. Wildman:** Okay. I will not prolong that, but I am sure the minister is aware of the difficulty of assessing "true market value" of land in that area of the province.

**Hon. Mr. Sterling:** I do not think the assessment has anything to do with the issue, quite frankly. It does not matter to me whether we are talking about \$60,000, \$40,000 or \$20,000. They are all not relevant amounts to the issue involved. I understand there is some reluctance on the part of Mr. Munro to proceed with the task and I am just trying to determine what the objections are.

**Mr. Wildman:** All right. We have talked about the Indian fishing agreement. I want to indicate again to you that we support the signing of that and I hope everything could be done to bring about the agreement with the federal government. I know my colleague from Algoma-Manitoulin wants to go into that, so I will not.

Can you indicate whether or not you have familiarized yourself with the 1924 land agreement?

**Hon. Mr. Sterling:** Somewhat.

**Mr. Wildman:** What is the status of the renegotiation of that agreement between the federal and provincial governments?

**Hon. Mr. Sterling:** I hope there will be a tripartite meeting in November dealing with the specific issue. On July 7, the day after I was sworn in as the Provincial Secretary for Resources Development, I indicated to both the federal government and the native leaders that I would attempt to convene a meeting in November of this year. Subsequently, I asked the Minister of Natural Resources to bring the matter forward, to get it going, because it has been outstanding for some time.

As a consequence of my request there is now a paper, which is being forwarded to the cabinet committee on native affairs, dealing with this matter.

I cannot tell you what the committee or cabinet itself will decide as a consequence of that meeting, but I have brought it forward. I hope we will have a meeting in November, depending on whether all the parties can be

brought together, and that the issue will perhaps be resolved as a result of that.

9:30 p.m.

**Mr. Wildman:** That is of major importance to many bands across the province and in my own area it is of major concern to the Garden River band of Ojibways in terms of resource development on the reserve, the question of royalties and so on. I hope it could be resolved.

**Hon. Mr. Sterling:** I understand that problem.

**Mr. Wildman:** The last thing I want to raise is that you mentioned earlier the question of self-government. What is the position, or has the provincial government developed a position, with regard to Indian bands having control over educational and social programs on the reserve? If you favour some or complete control, is the provincial government of the opinion that the responsibility for providing resources to facilitate those services lies completely with the federal government?

**Hon. Mr. Sterling:** I understand there is a parliamentary committee of the federal government which very shortly is going to release a paper on self-government and our native population, dealing not only with Ontario but also with natives across Canada. I have not had the privilege of seeing even a preliminary report of it. The Provincial Secretariat for Resources Development is also developing a paper which we plan to share with the native organizations on self-government.

Yesterday in our meeting with the Premier (Mr. Davis)—I do not think I am telling tales out of school—the Premier and all of us were still trying to formulate in our minds what self-government means, and I think the natives are included in this. I can tell you one thing it does not mean to the Premier or this government: it does not mean sovereignty. I think that is absolute.

Wherever one comes down from that position, I do not think we have decided. It is a definite issue, as you know, as to how far we go on the range of scale from there down. It is tremendous and we have not addressed it.

One of the problems the first ministers are going to face in February or March when they convene is what is the definition they are agreeing to if they put it in our Constitution. The definition of self-government is going to be a key issue in that.

**Mr. Wildman:** It certainly is. I appreciate your interest and concern. I want to indicate sincerely that if the minister makes sincere

efforts to resolve these issues, which are very complex, and makes progress in these areas, he will have our support. Sometimes in this House the adversarial system leads us to the point where I am sure people on the government side think members of the opposition only criticize and members of the opposition think the government is messing things up all the time.

However, in actual fact, on issues like these, which are hardly partisan, you will certainly have our support in a determined effort to resolve the issues, support which, as you know, the Minister of Natural Resources received in his attempts to bring about comanagement and conservation of the fishing resource with the Indian people of Ontario. With that, I will turn the floor over to my friend the member for Algoma-Manitoulin.

**Mr. Lane:** Mr. Chairman, knowing there are people here who are to speak on the Niagara Escarpment situation tonight, I will be very brief and co-operative, as I always am. It may surprise some people to know that my honourable colleague from Algoma and I, even though we are of different political affiliations, have the same concerns in many cases and serve the same kind of people. I would have liked to have had a supplementary or two when my colleague the member for Lake Nipigon was speaking last session, but he indicated he was in a hurry to get away and I did not want to interrupt.

**Mr. Wildman:** What is the matter, René? Are you a party pooper?

**Mr. Piché:** Let Hansard show I did not say anything.

**Mr. Lane:** I would like to go back to the fishing agreement that was signed by the native people and by the Minister of Natural Resources at the end of last year. It certainly is fair to state that when this happened, and we had not been too well informed in this matter, there was some concern in our caucus as well as the other caucuses I am sure. I certainly was one of the people who was somewhat upset. However, as time went on I began to realize just how important this native fishing agreement was.

The fact that we were giving some responsibility to the native people and expecting them to respect conservation in the field of fishing was more important than many of us realized. It is unfortunate that this was a tripartite agreement and had to be signed by three parties. The member for Lake Nipigon raised the question the other day of why the Minister of Natural Resources has said the agreement is now dead.

The reason he said that is because Mr. Munro has never seen fit to sign it. Unless it is signed by Mr. Munro it is dead, because it takes three parties to make it live.

**Mr. Piché:** The question is, did the minister say it was dead, or did he say he could not go any further because of Mr. Munro?

**Mr. Lane:** That is right.

**Mr. Piché:** We all know that Mr. Munro has been known to—is this the proper word?—“sleep” on the job on such an important matter.

**Mr. Chairman:** Very good word.

**Mr. Piché:** It is a good word, Mr. Chairman, thank you. Mr. Munro has been sleeping on the job on this important matter, as my colleague is trying to bring to our attention. That is very important to someone like me who has been involved in this matter. We have to do something. I hope the minister who can do it, and I am sure will do it, will act in a hurry. Now, are you pleased I said that?

**Mr. Lane:** Despite the fact I was so rudely interrupted by my colleague, I somehow feel that Mr. Munro is in support of the agreement but for some reason or other he felt he would like to see the Minister of Natural Resources take the heat on it. He did take the heat on it and has stopped ratifying it because it has not been signed by the federal government.

This leads me back to a statement I have to make because I feel very strongly about this. In my riding I have eight Indian reservations. I have never considered my native people to be second-class citizens. I have always considered them to be first-class citizens. For some reason or another, it has always seemed to me the federal government has always indicated one way or another that these people are second-class citizens. For one reason or another the feds say: “The poor Indians. We have to give them something.”

I have never felt that way about my people. I am very proud that I represent eight reserves. They are very progressive people. They have young chiefs and good band council members and good administration officers. When I go to a meeting at the band council, I go in the same way as I go to a municipal council meeting. We deal with them on the same basis as we do our other constituents. I have always been a little turned off when I hear federal people indicate we have to give the native people something. They are strong, able-bodied people, able to do

their own thing, the same as we are. All they need is our help to make it happen.

9:40 p.m.

**Mr. Wildman:** John, it does not help to call them “children of the federal government” either.

**Mr. Lane:** That is right. I just want everybody to know that I consider these people, about 6,000 in my riding, to be first-class citizens, not second-class citizens.

In any case, there has been a court decision, handed down in my riding as a matter or fact, that has made it very difficult for Mr. Pope and others who are interested in trying to bring some equity into this situation to deal with the matter. The Attorney General has appealed this decision, but had Mr. Munroe seen fit to sign this tripartite agreement back in January, then this court decision would likely never have been handed down because it would have had the machinery in place to have accomplished what we intended to do with that tripartite agreement. Unfortunately, it was not signed and the judge saw fit to hand down a decision which indicated that the treaty rights superseded any legislation that has since been passed.

Even though that has been appealed—whether or not we win the appeal is yet to be found out—it is now going to be very difficult for Mr. Pope to accomplish what he had hoped to accomplish in this tripartite agreement he signed last December. Even though I was less than supportive of it in December, I am more than supportive of it now. I just want that to be known.

Again, I am going to be very brief. I would like to talk about a lot of things, because when you have 6,000 native people in your constituency you have a lot of things to talk about, but I know that Bob and other people want to talk about the Niagara Escarpment and I am not going to hog the time.

I think it is fair to say that when the Minister of Natural Resources is making allocations of timber licences in various areas in the province, it tends to be a problem for the native people that certain timber companies get the right to large acreages of timber or licences to cut on certain lands. The native people living in that area feel somehow excluded from that type of agreement.

I have nothing against unions—as a matter of fact, I realize we need unions—but it is fair to say that a lot of native people do not want to be members of unions for one reason or another

and that is their right, but they do want to be able to make a living in their home area. Once these rights are allocated to a large timber company to harvest the wood off these lands, then the union prevents the Indians who are not union members from going in to work on those lands or harvest any of that timber.

So, it is only fair to state that when we are allocating timber rights or giving licences to large companies, we should reserve a certain portion of the timber in that area for the natives in the area so they can continue to live on the reserve and harvest a certain portion of the timber and sell it to the mill that is operating there without having to be, if they do not wish to be, members of the union. In many cases, they do not wish to be.

I saw this happen many times, especially in the Spanish River Indian reserve in the Espanola area where the E. B. Eddy Co. operates. The union will not allow the native people who are not members of the union to go on lands that are licensed by the company, to clear up, clean up or cut timber or whatever. So we have many native people, who would like to make a livelihood and live in their homes with their own families, unable to do so because they are prohibited from doing so.

I just hope that in future when licences are being negotiated with large timber companies you are going to reserve a certain portion of that timber for the native people who live in that area so that they can cut the timber at their own discretion and sell it to the mill in the area where they live. I think this is very important.

The only other thing I am going to bring up at this point, because of the time restraints on us tonight, is the lifestyle of the native people. It is very unfortunate if we think we can interpret the lifestyle of native people because we are sitting in a meeting with a native person, either in Toronto or in someplace away from the reserve.

I think you have to sit down and break bread with these people and get to understand their lifestyle, which is much different from mine or yours. I guess for the first time in history the Premier and I sat down with six chiefs and broke bread with them three years ago on the reserve of West Bay in Manitoulin Island. The Premier enjoyed venison stew in September because the native people can shoot venison at any time of the year they wish. It was just a great day.

I do not know what the opportunities are in the minister's riding to have this kind of an experience, but if it is not easy for him to do so, I

will make arrangements for him to come to my riding, sit down with my native people, break bread with them and try to understand their lifestyle before he starts to try to resolve their problems at the negotiating table. I do not think that it is possible for a chief or any group of people to bring to a bargaining table the lifestyle of the native people. I think you really have to participate in it and understand it.

I am making you this offer. If you do not have them in your home riding or some other riding nearby, I will see that you have an opportunity to understand the lifestyle of our native people. Then you can better judge what their lifestyle really is when you are making decisions for natives, because it is somewhat different from ours. Why should we try to change their lifestyle? That is their lifestyle. We have ours. We should not really try to change theirs.

I am not going to make any further remarks. I do not expect too many replies. You could have made some comment, rather than my asking you questions, but I understand we are to have some very important discussions here about the Niagara Escarpment which really does not involve me too much but in which I am interested. However, I wanted you to know that the native people, both in my riding and in this province, are not second-class citizens, even though I think our federal government has made them so by trying to give them something and they are asking nothing in return. We should treat them exactly the same as anybody else. They are able-bodied people and they have their own style of livelihood. They want to do certain things on the reserve and it is up to us to help them do it, but we should never do it for them.

**Mr. Swart:** On a point of order, Mr. Chairman: We have a little more than 40 minutes left. I have to be up in the House at 10:25 tonight for the special debate I have asked for. Can we divide the time equally? I am not sure if Mr. McKessock would agree to that, but I do have to be in the House at 10:25 for this special debate. Could I go first?

**Mr. McKessock:** I will agree to that.

**Mr. Piché:** I am not too sure. Instead of dividing it three ways, you could divide it two ways.

**Hon. Mr. Sterling:** Mr. Lane, before you go I would like to reply.

**Mr. Piché:** I did not want to participate in this debate, but maybe I will throw in a few comments. It could be divided between the two,

unless the minister would like to take some time.

**Mr. Swart:** He will. We will be answering questions.

**Hon. Mr. Sterling:** Mr. Lane, I would just like to say to you that I have not had the opportunity of having natives live in my riding, nor are there many bands in eastern Ontario. There is the Iroquois of St. Regis band at Cornwall, but there are not many native reserves in the area. I may well take you up on your kind offer.

9:50 p.m.

I guess one of the things I have learned at the Provincial Secretariat for Resources Development is there are people with attitudes like those of yourself and Mr. Wildman towards our native population. I believe both of you consider them as first-class citizens like everybody else in this country. There are also people who do not have that view, and I am not willing to say that is any other politician or whoever it is. I appreciate your attitude and I adopt this attitude because I can be, I think, in some ways very objective as to what they represent.

I cannot comment specifically on the licences and the negotiation of licences. I would defer that to the Minister of Natural Resources whose estimates are in the middle part of November.

I do not believe the fishing agreement is dead. I hope it is not. I understand there are two reasons why it is in limbo. The first is the federal government cannot decide on its position on it. The second is there have been some intervening legal cases which define the rights that were negotiated by the native population. Therefore, that is the reason Mr. Pope has indicated that, in his view, the agreement is dead at this point in our history. I hope that is not the case. It is certainly not my intent to kill that agreement, nor do I think it is Mr. Pope's either.

**Mr. Lane:** I think Mr. Pope agrees with that.

**Mr. Chairman:** Mr. McKessock.

**Mr. Piché:** Are we still on the same subject?

**Mr. Chairman:** No, we have to move to the Niagara Escarpment.

**Mr. Piché:** Before we do—

**Mr. McKessock:** I have two issues to speak on.

**Mr. Piché:** On the same subject we are talking about now or the next one?

**Mr. McKessock:** Not on this subject.

**Mr. Piché:** I just want to add a few words.

**Mr. Chairman:** Please be brief. We did invite

the Niagara Escarpment Commission to appear before us.

**Mr. Piché:** I know that, I respect that and, my God, I am in trouble already by the looks I am getting. In any event, I want to say a couple of words on this important matter raised by my colleague and by the opposition parties.

Some of us represent Indian communities and, as I have already indicated here, I represent six Indian reserves and two Indian bands that are trying to get reserves going. We have gone so far—I hope the minister, who has already told me he is coming with me to Moosonee and Moose Factory to meet with some of the reserves there, the community—

**Mr. Wildman:** Are you going in January?

**Mr. Piché:** In fact, if we have not been there it is because it is my fault for different, very good reasons. The minister has said: "We are going. When do you want to go? I am ready to go right away." As I mentioned, we have not done that for some reasons.

I do not want to wait any more. These are our first citizens. I want to do something. I do not want to stay on and on in the Legislature not doing the things we have to do for the Indian community. It is bad. There are all kinds of problems.

Mr. Chairman, you live in your community and have everything going for you, and it is the same with the rest of the members here. One needs to go to these communities and see them. That is why I am so interested in keeping on bringing ministers up there to see what the problems are. The time has come. After what has happened here, I think the minister we have now is going to do something.

I will make sure he does something because I am a colleague of his. I am on the same side as he is and of the same government. I am on the government's side and I will always stay there. I would never want to be with that side or that side.

**Mr. Swart:** You have no ambition.

**Mr. McKessock:** You seem to be having trouble with the government.

Interjections.

**Mr. Piché:** I want to leave this with you because I have a lot of faith and trust in the minister. I know him personally. I want to make it quite plain as a member, and I know I speak for the committee, that we cannot go on any longer. We have to have something done. I do not want to say it is a federal matter and I do not want the feds to say it is a provincial matter. I do

not want to hear that any more. It is a matter for all of us.

The minister has power to do something or raise hell. He can do it and he can do it properly. All I ask him is to do it because I have been in this job for two and a half years. I am in the far north more than any other member, I think. I had three and four ministers in the far north during July and August to deal with some of the matters that are so serious up there.

I had some of these items brought to me, and I am not going to itemize them, because we have done that already. I cannot continue as a member representing the far north and not have things done. It is that terrible.

**Mr. Chairman:** Thank you.

**Mr. Piché:** Now just a minute. Here you are cutting me off again.

**Mr. Chairman:** No, I thought you were finished. I am sorry.

**Mr. Piché:** I would like to have the committee go another five or 10 minutes before having the Niagara Escarpment Commission. I hear that is the next one. They have no problem compared with what we have in the far north, so do not be too worried about that.

**Mr. Chairman:** In fairness—

**Mr. Piché:** In all fairness, yes, but—

**Mr. Chairman:** In fairness, we did invite this delegation to appear before us. We have spent a fair bit of time on this subject both tonight and Wednesday morning. You were here, I think, or a few minutes on Wednesday morning.

**Mr. Piché:** What do you mean by "you think"? was here.

**Mr. Chairman:** We spent a fair bit of time on the native situation.

**Mr. Piché:** Not enough. I think I speak for the whole committee.

**Mr. Chairman:** I think you do, too.

**Mr. Piché:** We are now asking the minister to do something and be shown to be doing it, not just to say, "I am going to do something." We want to know about it, and I think he can do it. He is that type of minister.

**Hon. Mr. Sterling:** I am going to reply in 30 seconds and I am going to issue a challenge back to you, Mr. Piché. You tell me what we can do to help the native population in any part of this province—

**Mr. Piché:** In writing.

**Mr. Chairman:** Not tonight.

**Hon. Mr. Sterling:** I do not care whether it is in writing or it is not in writing. Whether it is in your community or in any other community, you will get a positive response from me, as long as it is a positive program, it is not another long-term study and it is something we can put into effect within some reasonable economic limits.

**Mr. Piché:** I cannot ask any better.

**Mr. Chairman:** Thank you very much.

Now, Mr. McMullin and your delegation, would you like to move up to the table? We appreciate your patience. The members of the committee do have concerns they would like to raise with you.

**Hon. Mr. Sterling:** Perhaps if I could have Mr. McMullin up beside me here, it might be more appropriate.

**Mr. Chairman:** All right.

**Hon. Mr. Sterling:** Do you want to come up here, Ivor?

While Mr. McMullin is walking around, perhaps I will take the opportunity to introduce him. He has been the chairman of the Niagara Escarpment Commission since 1975 and has previous experience in municipal politics. I guess there is probably no man who knows better the length of the escarpment, the people on the escarpment and the land on the escarpment. He certainly has a tremendous knowledge of the area and, at the committee's request, Mr. McMullin has come here.

**Mr. Chairman:** First of all, I think we should divide the time. Time has slipped by since you made that suggestion, Mr. Swart, but I do not think there are too many members of the government caucus who wish to participate in this. Mr. McLean, do you wish to participate?

**Mr. McLean:** No. I have been dealing with it over the past several years and I would just as soon listen to the others. I have no questions.

**Mr. McKessock:** I have another issue I want to bring up as well.

**Mr. Chairman:** I am sorry. We invited Mr. McMullin here for this issue, and I think we really want to restrict the questions.

**Mr. McKessock:** If it is a question of time, I would divide my time into both issues.

**Mr. Chairman:** All right. Proceed then.

**Mr. Swart:** Mr. Chairman, I think it was agreed that perhaps I would go first because I do have to be up in the House.

Interjections.

**Mr. Swart:** We have just 35 minutes left to discuss what I think is a very important issue and certainly one of the on-line responsibilities you have as minister, unlike co-ordinating—

**Hon. Mr. Sterling:** Mr. Swart, I could not agree with you more, and I wish you had been here the other night when Mr. McKessock discussed this matter as well. It is not just 35 minutes that this committee is attributing to this very important topic.

10 p.m.

**Mr. Swart:** I am aware of the difficulties of assigning time, in any event, in every committee.

Let me just say briefly first that I think all of us recognize there are two very important parts of any system that is going to assure the preservation of the Niagara Escarpment. One is the plan and the policies of the plan itself, and the second is the procedures to implement the plan to ensure that those policies are adhered to once they are in the plan. In Ontario, with regard to some land use plans and that sort of thing where there are great big lengthy hearings, we know the decisions come down and very shortly thereafter those just become a map, just become guidelines and they are changed and there is nothing permanent about it.

I would like to deal very briefly with the last one first because it is less controversial, and that is the matter of procedures, at least the principle. I think we can all agree that whatever is in the plan, whether it is a weak plan or a strong plan, there has been something like a \$10-million and 10-year process, and therefore whatever is enshrined in the plan should basically be adhered to and should be carried out. I do not think any of us want a plan that is nothing more than a map that you can follow if you want or not. It has to be a lot more firm than that.

I want to say that a concern of mine and of this party is the implementation of the plan, the assurance that once a plan is established, the provisions of that plan will be carried out, recognizing, of course, that there still has to be a degree of flexibility. In the special debate we had in the House the other day the minister said:

"I have heard that both the member for Welland-Thorold and the member for Hamilton Mountain (Mr. Charlton) really want it both ways on the very sticky issues of delegation of power and power for the commission. On the one hand, they say, 'We want to retain the Niagara Escarpment Commission and we laud the efforts of the Niagara Escarpment.' On the other hand, they say they want the real power,

the power of development control, delegated to municipalities or regional municipalities."

Perhaps you have not had an opportunity to look at my private member's bill, which I have submitted on two previous occasions, but that is not a statement of the facts at all about the position of our party. We have taken a consistent stand since the commission was established that we wanted a strong plan to be developed; that this plan would then be incorporated in the official plans and the zoning bylaws of the municipalities along the escarpment after the plan had been completed; and that the Niagara Escarpment Commission would remain and be given the power to ensure that the plan was adhered to, but there could be applications to the Ontario Municipal Board, and the escarpment commission then would have the power to present that side and to make application itself to the Ontario Municipal Board. This has been put on record several times.

We do not want development control transferred to the municipalities. We have never asked for that, and I want to put that clearly on record.

**Hon. Mr. Sterling:** It is not quite as clear as I would like it to be. Perhaps you can then answer this question. If I am going to build a building on any one of the areas that is included in the plan, to whom do I need to apply for a permit to construct that building?

**Mr. Swart:** You would apply to the municipality. If it was in the proper zone to permit it, the municipality would automatically give the permit in accordance with principles. If it was not within that zone and they still wanted to proceed with it, then they would have to apply for a change, and the Niagara Escarpment Commission would be there to give its views to the Ontario Municipal Board on whether it is in accordance with the act.

**Hon. Mr. Sterling:** In other words, development control is being devolved upon the municipality.

**Mr. Swart:** Not development control. Interjections.

**Hon. Mr. Sterling:** Development control, as I interpret it, is the control over issuing a permit.

**Mr. Swart:** Development control is a very different breed from zoning and official plan. It is entirely different. If you are familiar with municipal planning, you would be aware of that I say respectfully.

You may not know, but the Comay report on the Planning Act recommended a large measure

of development control through the whole process of the committee. That was disregarded, and they went to official plans and zoning. There is a very fundamental difference between that and the procedures on development control, which is a flexible thing, so one does not have to go through any zone changes or anything of that nature.

**Hon. Mr. Sterling:** Just a minute. You are telling me then that the whole idea of applying to the Niagara Escarpment Commission for permission to utilize a piece of land within a zoning area within a municipality will not be in its direct control, that it has no control over the fact a municipality may or may not act responsibly in giving out the permit. Is that correct? Is that what you are telling me?

**Mr. Swart:** A municipality is now under the Planning Act. If it is zoned for a certain type of development, it must automatically give a permit.

**Mr. McKessock:** That is what I was telling you the other night.

**Mr. Swart:** It must conform with the regulations. It has nothing to do with development control. If they want something that is not in the zoning bylaw, then they must make application to have a zoning change and perhaps a change of the official plan too. That would go to the Ontario Municipal Board, and if anybody objected to it, the Niagara Escarpment Commission would be there with the authority we would want to give it to protect the escarpment.

**Mr. McKessock:** Do I get you straight here that you are saying the Niagara Escarpment area should be controlled the same way as all other parts of Ontario, through zoning bylaws and official plans?

**Mr. Swart:** No, I am not saying it should be controlled exactly the same. I am saying I want appeals to the Ontario Municipal Board, once the plan has been decided, included in the official plans and the zoning bylaws.

**Mr. McKessock:** Yes, that is what I am—

**Mr. Swart:** If they are going to change the plan, there has to be some policing because one of the problems with planning now is that nobody protects the Niagara food lands. If somebody wants to make an application for a change, who is going to take the side of preserving the food lands? We want the Niagara Escarpment Commission to be delegated that responsibility before the independent body.

**Hon. Mr. Sterling:** You want it both ways.

**Mr. Swart:** No, that is not both ways. It is very clear.

**Hon. Mr. Sterling:** You want it both ways. I was right.

**Mr. Wildman:** My colleague is saying once the plan is arrived at, it would automatically go into the municipal plan and the municipality would not have the ability to change that plan without an appeal to the OMB.

**Mr. Swart:** Right, and the Niagara Escarpment Commission would have full status. There are no two ways about that; it is a particularly clear route.

**Hon. Mr. Sterling:** There are two controlling factors on what a person can build in a particular area. First, there is a zoning bylaw and then there is a document within development control which is called design control.

**Mr. Swart:** But I am saying there is no development control.

**Hon. Mr. Sterling:** You are talking about design criteria which are recommended in the Niagara Escarpment Commission plan. The application of the design criteria is the key issue. You want to delegate the authority to apply the given design criteria to municipalities.

**Mr. Swart:** I want the criteria put in the zoning bylaws and the official plans.

**Hon. Mr. Sterling:** Fine. Is that satisfactory for you?

**Mr. Swart:** I do not want development control delegated to the municipalities, as you say here. We have never said that.

**Hon. Mr. Sterling:** But that is development control.

**Mr. Swart:** Surely you must know what development control is.

**Hon. Mr. Sterling:** I do. I practised law for a number of years.

**Mr. Swart:** It is another way, apart from zoning, for controlling development. It is another route apart from zoning. If there are zoning bylaws and an official plan, that is one method of doing it. Talk to any of the planners and they will tell you that. Development control is an alternative. I do not want to use up all my time on that, because I want to go just a little bit further.

10:10 p.m.

Again referring to Hansard, you made a comment—I wonder if I could have the minister's attention—that is of extreme concern to

me and to everybody interested in preserving the escarpment. I quote:

"I have received from the Liberal Party both options and have been encouraged to take two different options. I prefer to take the approach suggested by the member for Wellington-Dufferin-Peel (Mr. J. M. Johnson), and that is to look at the two reports, as I am charged to do by the legislation, and come up with a reasonable compromise between them."

The two reports you were talking about there were the report of the hearing officers and the final proposal by the Niagara Escarpment Commission for the plan for the escarpment. What bothered me was that you said you would come up with a compromise. That means—

**Hon. Mr. Sterling:** That is what you are proposing here today when you say—

**Mr. Swart:** No.

**Hon. Mr. Sterling:**—delegating to the municipalities. You are saying—

**Mr. Swart:** Mr. Chairman, I wonder if I may have the floor. I will ask questions, if I may have the floor.

**Hon. Mr. Sterling:** I am sorry.

**Mr. Chairman:** Proceed.

**Mr. Swart:** You were saying you were going to come up with a compromise—you feel that is your obligation—between these two reports. I suggest there is nothing in the act anywhere that says that.

**Hon. Mr. Sterling:** No. That is what I feel—

**Mr. Swart:** That is your own interpretation.

**Hon. Mr. Sterling:** No. That is not my interpretation. That is what I feel after looking at a lot of the evidence.

**Mr. Swart:** You feel, then, that the proposed Niagara Escarpment plan is too restrictive. Are you saying that to us, that your final plan for preservation of the escarpment is going to be something less than the Niagara Escarpment plan? Is that what you were saying to us in this statement here?

**Mr. McKessock:** You have to give some credibility to the two years with the hearing officers.

**Hon. Mr. Sterling:** I am saying I am charged by this act to look at two different documents.

**Mr. Swart:** That is right. I realize that.

**Hon. Mr. Sterling:** I have to start with the hearing officers' report. That is what I am charged with in terms of this document.

**Mr. Swart:** You said, "I am charged to come up with a reasonable compromise between them." That may have been an unfortunate choice of words. From that I would understand that you think your responsibility is to come up with a reasonable compromise—

**Hon. Mr. Sterling:** Can I see my actual wording?

**Mr. Swart:** Yes, of course. Here it is.

**Hon. Mr. Sterling:** I say, "and that is to look at the two reports, as I am charged to do by the legislation . . ."

**Mr. Swart:** Read the rest of that sentence.

**Hon. Mr. Sterling:** Yes—" . . . and come up with a reasonable compromise between them."

**Mr. Swart:** "Come up with a reasonable compromise between them." That is what bothers me. You are not charged with that.

**Hon. Mr. Sterling:** Well, if you want to pick words—

**Mr. Swart:** More than that, I am very concerned that you are saying you are going to come up with a compromise between them. What about the act itself?

**Mr. McKessock:** It says he can modify it.

**Mr. Swart:** Do you not think the act should have a real bearing on your decision as well? The act, which I have here—I will not read it to you, because you are familiar with it—talks about "a continuous natural environment."

**Hon. Mr. Sterling:** If you want to read all the parts, sure.

**Mr. Swart:** Section 2.

**Hon. Mr. Sterling:** The section that is important for me, the operative section, other than the very important part of there being a continuous natural landscape to protect, is the one where I start with "hearing officers' reports" and if I have anything different from that, then I have to give 21 days' notice.

**Mr. Swart:** I guess what I want to try to do, and probably cannot do, is to convince you that there is no obligation to come up with a compromise between those reports.

**Mr. McKessock:** The act says he can accept it, modify it or reject it.

**Mr. Chairman:** Mr. McKessock, please. Let Mr. Swart continue.

**Mr. Swart:** There is a purpose stated in this act. It seems to me that we do not agree the plan that is ultimately approved should carry out the

purpose of the act. The plan should carry out the objectives.

**Hon. Mr. Sterling:** I agree 100 per cent.

**Mr. Swart:** If the hearing officers' report just goes so far and is so weak that it does not carry out the objectives—

**Hon. Mr. Sterling:** That is your opinion.

**Mr. Swart:** That is my opinion; I say if it does that. Also, maybe even some aspects of the Niagara Escarpment Commission would be such that, in your opinion, they would not carry out the purpose of the report. I am thinking particularly of the Beaver Valley—

**Hon. Mr. Sterling:** That is your opinion.

**Mr. Swart:** I am saying if you feel that does not carry out the purpose, then your responsibility would not be to have a compromise of those two reports and ignore the act.

**Hon. Mr. Sterling:** I do not know what you are driving at or leading to. I do not understand—

**Mr. Swart:** I am leading to the criteria and to the basis on which you are going to make your decision. I am bothered terribly that you think there should be a compromise between those two reports. I do not think that is required by you at all. I think you have to look at what the act says, look at the two reports in the light of that act and come up with something—

**Hon. Mr. Sterling:** Now you are playing games.

**Mr. Swart:** I am not playing games.

**Hon. Mr. Sterling:** This subject is too damn important for us to play games. I spoke after Jack Johnson spoke in the Legislature. Jack Johnson seemed to indicate to me there were some good things in the Niagara Escarpment Commission's report and some good things in the hearing officers' report. I happen to agree with that. I think they both have good points. I have to make my recommendations based on those two reports. Therefore, if you want to call it compromise, taking some out of both plans, whether it be one per cent out of one thing or 99 per cent out of the other, that is what my job is.

**Mr. Swart:** Are you repeating to me that the final report is going to be a compromise between these two reports, or is the final decision going to be based on the purpose of the act with consideration given to these two reports? There is a very real difference between a compromise between two reports—

**Hon. Mr. Sterling:** Is there? Tell me what the difference is.

**Mr. Wildman:** You might choose one side or the other. You do not necessarily have to compromise between the two.

**Mr. Chairman:** I am afraid I will have to interrupt.

**Mr. Swart:** Mr. Chairman, I realize I have used up my time. I wanted to get into the Beaver Valley matter, but I will have to do that at some other point.

**Mr. McKessock:** You can come up on the weekend. I will take you around.

**Mr. Swart:** I have been around there numerous times.

**Mr. McKessock:** I am not sure why the New Democratic Party wanted Mr. McMullin to come here tonight. I certainly did not want him to come. I said it was okay if he came. I guess Mr. McMullin—

**Mr. Chairman:** You are not making him feel very welcome. I am sure, by saying you did not want him to come.

**Mr. McKessock:** He will agree right now that there really was not much use in his coming because he was not asked any questions. It is after the fact to ask Mr. McMullin to come here now after the report is out. We want to talk to the minister because he is the one who has to make the decision.

Anyway, I want to point out that this is a very controversial subject and the people who live on the escarpment have had a long fight. I know things have been changed considerably in the last eight years. Certainly, the land owners there do not want to lose the battle right in the last dying days of this plan.

Just to spell out how the Premier feels about this, I mentioned the other night that the Premier had made a statement to the Ontario Federation of Agriculture about preserving farm land. That brings us back to this point. We should control all Ontario the same. Actually, that is what Mr. Swart was saying, whether he meant it or not. We should control them all the same way through zoning bylaws and official plans.

At the meeting with the OFA, the Premier referred to preserving farm land. I am quoting here from a report: "While Timbrell asked the OFA for specific recommendations for changes to the Food Land Guidelines, Davis referred to the area as sensitive and controversial, remarking, 'Farming must be a viable business before farm land can be preserved.'"

I take it from that you must allow them to do business then. I take it that you must allow them

to sell their farms if they are not viable. One cannot preserve farm land as long as farming is not a viable thing. That is a quote from the Premier.

**Mr. Wildman:** Let us pave everything over because farming is not viable.

10:20 p.m.

**Mr. McKessock:** Here is another quote from the Premier at the same meeting. It is hot off the computer. It says: "Davis told the OFA delegation that preserving food land was not as simple as they might think. 'It is not as simple as saying that this land will be preserved in perpetuity,' Mr. Davis said. 'We live in a free-enterprise economy and there must be some measure of give and take.'" There the Premier said that that we live in a free-enterprise economy and there must be some give and take in the preserving of land.

I feel there is a bit of a double standard here when we talk about the Niagara Escarpment Commission or the Niagara Escarpment area and the preserving of farm land. On the one hand, they are saying we cannot preserve it, especially when it is not viable; if they have to sell it, they ought to sell it.

On the other hand, we live in a free-enterprise economy. We cannot have it both ways. The government cannot have it both ways either. We have to look at this issue and respect the people who live on the Niagara Escarpment the same as all other land owners in Ontario.

The hearing officers' report has been well received by most of the land owners. Everything is not perfect, but it has been well received. There were three well-seasoned Ontario Municipal Board hearing officers who spent two years listening steadily to the opinions and looking at the escarpment. Certainly, the recommendations they have come up with after two years should be given serious consideration; otherwise, what good was it to spend that time on it? It is part of the act that the hearing process take place, and I hope that it is not going to be just a formality.

That is why I said earlier, why do we not have the three hearing officers here tonight too? It is just as important as having the Niagara Escarpment Commission, but it is futile to have either.

**Hon. Mr. Sterling:** We really did not ask for them, Mr. McKessock.

**Mr. McKessock:** If Mr. McMullin had been here the other night, he would know I did say that I am certainly not running down the commission for everything it has done over the

last 10 years. I think it has advanced planning in Ontario a great deal. Maybe it needed the Niagara Escarpment Commission to bring planning forward.

In my own county of Grey 10 years ago we had no official plan and no planners. Now we have an official plan and about eight full-time planners. What I am saying now is that we do not need another planning department on top of that. This now can be turned back to the municipalities and it can be set up through zoning bylaws and official plans. We have our own planners there to look after it.

I think it is a waste of money to continue the commission at the million dollars a year it has been running at — \$1.8 million in this past year. I feel that two of the things in the hearing officers' report are important: to do away with the development control and to do away with the Niagara Escarpment Commission. The planning we have set up over the last 10 years in Ontario is a far cry from what we had 10 years ago and it is very adequate to take care of any situation throughout Ontario, be it in the Niagara Escarpment area or any other area.

There is one thing I would like to ask you, Mr. McMullin, since you are here. I was trying to think of what I could ask you because, really, I did not know what you are here for. There is one thing you could help us with, that is, the Hydro corridor line that is going through Grey, Bruce and Simcoe counties and the escarpment, crossing the escarpment twice in this Bruce-to-Essa route and back down through Milton.

Would you agree to help the land owners in that area take the government to court to get the Stratford hearings reopened and held again?

You probably heard that the people in our area were not properly notified about the Stratford hearings. If this went to court, I am sure the judge would rule in favour of opening those hearings.

If you look at the advertisement that was in the paper — and I know the act says they do not have to get a written notice and that an ad in the paper is fine — then surely that ad in the paper must be readable. Nowhere in that ad did it say they were looking at six routes. Nowhere in that ad did it say they could look at the route that Hydro had sent to the Consolidated Hearing Board, reject that and pick another one.

**Mr. Chairman:** Are you looking for a yes or no answer to that?

**Mr. McKessock:** I had to give him some good foundation to respond to. I will let him answer that now.

**Hon. Mr. Sterling:** If you want to consult a legal counsel, I am available.

**Mr. McMullin:** I think I will need one. On the part about helping them take it to court, no, Mr. McKessock, I do not think the commission have a mandate to do that. I might just help you out on it. The commission very recently formed a brief on it. The commission went to Stratford and we had a planner there for a good part of the hearings in Stratford.

I always had a feeling the counties of Bruce, Grey, Simcoe and Dufferin were not well enough notified of the hearing, partly because the notice said it was for southwestern Ontario and those counties do not feel they are southwestern Ontario, and partly because there was a statement that had gone around that Hydro preferred the London route.

**Mr. McKessock:** That is what was taken to the Consolidated Hearings Board.

**Mr. McMullin:** We went to Stratford and we supported the M1-M2 route that goes to London. The decision was made by the joint hearing board to go the M3 route. We then said, "We will evaluate the M3 route and we will ask you to go the route that will affect the escarpment the least in that area."

Since then the commission wrote another resolution three weeks ago, I think more strongly stating our case, mainly because we were asked for more information by Hydro and also by the coalition that has been formed up in your area. We produced that, and today in Collingwood at the regular commission meeting seven members of the commission brought a motion to the chair to urge the joint hearing board to reopen the hearings and hear the four counties I have mentioned and the coalition.

As a commission on the escarpment, I think that is about as firm as we can go. We have written the resolution very firmly. It was carried unanimously by the commission. I had some doubt in my mind that as a commission we should even be going that far, but the elected members of the commission felt we should. They put a motion, and it will be sent on Monday morning to the joint board saying to them that they probably should reopen the hearing. They will send a copy also to Hydro and the Minister of Energy (Mr. Andrewes).

**Mr. McKessock:** This is this past Monday?

**Mr. McMullin:** No. We passed the first brief three weeks ago today. Today we met in Collingwood at a regular commission meeting and a resolution was passed. I do not think I can

get the brief out tomorrow, but tomorrow or Monday we will have it sent on to the board.

I think there is urgency in it. The Hydro people and the board would like to have this solved as quickly as possible. I know there is a great deal of concern up there. We have had many letters and phone calls. I went up yesterday and met with the coalition people and they drove me up and down the hills of the escarpment in several places. I had been there before, but they were pointing out that they did not think lines should be built over the escarpment in any place up there. I think that opinion is very strong in that area not only of Grey county but Simcoe county and Dufferin county and several areas.

I met recently also with the councils of Mulmur and Mono townships and discussed it. They are pretty firm on it. I think some of them have gone as far as to hire law firms and they may well ask this to go to Divisional Court. I do not think we as a commission have that in our mandate. If we are subpoenaed to a court hearing, yes, we will appear and we will state our case, as we said in the brief. Further than that, I do not think we are the people who should do it.

**Mr. McKessock:** I appreciate what you have said and that is some consolation. One thing that is more proof that the—

**Mr. Chairman:** Very quickly, Mr. McKessock. We have to carry our votes.

**Hon. Mr. Sterling:** Having appeared at the hearings, they would hardly be capable of complaining about the notice of the hearings.

**Mr. McKessock:** That would be to assist the other people in the area. I myself live in the Grey area now where the direct route is going to go and I have received—

**Mr. McMullin:** That has not been decided. The meeting they are holding now is to choose one of four or five routes.

**Mr. McKessock:** That is right. I live in the area of Grey that is on one of those routes.

**Mr. McMullin:** That could be, yes.

**Interjection:** You have a serious conflict of interest.

**Mr. McKessock:** I have already received two letters informing me of the consolidated hearings that are going to be held in February 1984 and also informing me that I will get more notices about them giving the exact date and so forth. At the consolidated hearings in Stratford this did not happen. There were no notices sent out.

**Mr. Chairman:** I am going to have to interrupt now.

**Mr. McKessock:** I will just be one minute.

**Mr. Chairman:** We have not got one minute.

**Mr. Wildman:** Come on. The minister was 10 minutes late when we started.

**Mr. Chairman:** That does not mean we have to be 10 minutes late finishing.

**Mr. Wildman:** Why not?

**Mr. McKessock:** I think this is further proof that the Consolidated Hearings Board realizes it made a mistake at the first hearings through poor communications.

Also, there is one other thing that bothers me, and that is that the Premier has mentioned this week that they might open up the hearings at the start of the February hearings. To me, that is a Mickey Mouse way of doing it. That just shows they want to give these people a chance to have their say before we go into the final route hearings.

**Mr. Chairman:** This has already been answered last Tuesday night. Your statements about this are already in Hansard.

**Mr. McKessock:** I think I am going farther than I did last week. I am sorry, Mr. Chairman, that I did not get into the other area I wanted to bring up that concerned Agriculture and Food, Environment, Industry and Trade, Tourism and

Recreation, all those ministries combined, and the production of alcohol for use in the automobile industry. This could help out in all those areas. In Brazil 90 per cent of the vehicles are run on alcohol.

**Mr. Chairman:** Mr. McKessock, had you been here yesterday, you might have had an opportunity to discuss that. We really missed your caucus yesterday at our meeting.

**Mr. Wildman:** Unfortunately, the official opposition was not represented here yesterday.

**Hon. Mr. Sterling:** We did wait for 10 minutes.

**Mr. Wildman:** Perhaps in Ontario too many cars are run on alcohol.

**Mr. Chairman:** We have another chore, and that is to clear off the vote here.

Vote 1801 agreed to.

**Mr. Chairman:** This completes the estimates of the Provincial Secretariat for Resources Development.

Thank you, committee members. Mr. McMullin, thank you for appearing before us. It was a very onerous task on your part, I realize, but you did a great job.

The next meeting is Tuesday at 8 p.m. for the Ministry of Transportation and Communications.

The committee adjourned at 10:35 p.m.

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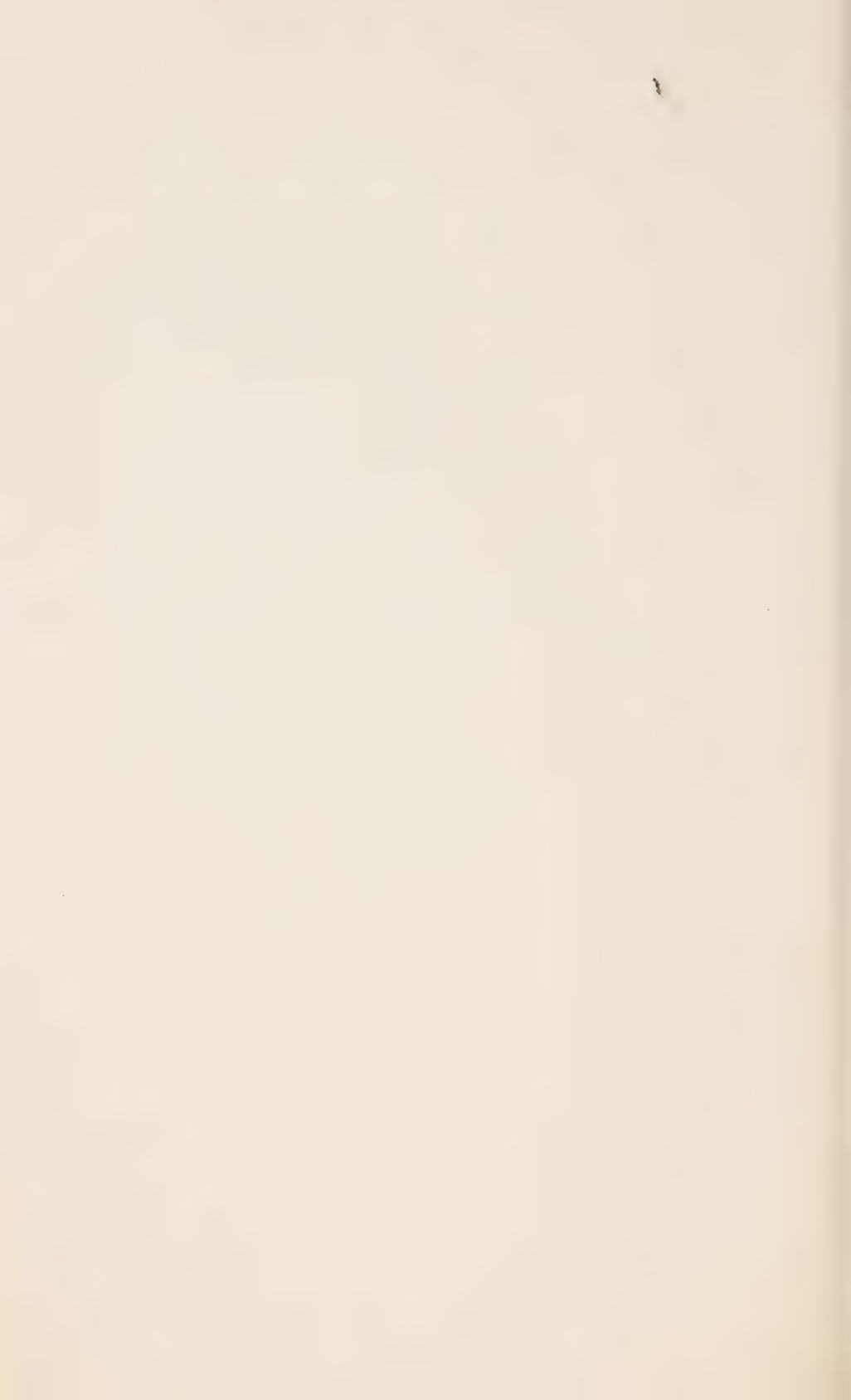
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**SPEAKERS IN THIS ISSUE**

Barlow, W. W.; Chairman (Cambridge PC)  
Lane, J. G. (Algoma-Manitoulin PC)  
McKessock, R. (Grey L)  
McLean, A. K. (Simcoe East PC)  
Piché, R. L. (Cochrane North PC)  
Sterling, Hon. N. W., Provincial Secretary for Resources Development (Carleton-Grenville PC)  
Swart, M. L. (Welland-Thorold NDP)  
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Williams, J. R. (Oriole PC)  
Wrye, W. M. (Windsor-Sandwich L)  
**From the Provincial Secretariat for Resources Development:**  
McMullin, J. I. , Chairman, Niagara Escarpment Commission  
Richards, K. J., Policy Adviser, Deputy Provincial Secretary  
Thatcher, J. C., Deputy Provincial Secretary









No. R-11

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# **Hansard**

# **Official Report of Debates**

## Legislative Assembly of Ontario

**Standing Committee on Resources Development**  
Estimates, Ministry of Transportation and Communications

**Third Session, 32nd Parliament**  
Tuesday, November 1, 1983

Speaker: Honourable John M. Turner  
Clerk: Roderick Lewis, QC

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# LEGISLATIVE ASSEMBLY OF ONTARIO

## STANDING COMMITTEE ON RESOURCES DEVELOPMENT

**Tuesday, November 1, 1983**

The committee met at 8:03 p.m. in room 228.

### ESTIMATES, MINISTRY OF TRANSPORTATION AND COMMUNICATIONS

**Mr. Chairman:** These are the Ministry of Transportation and Communications estimates. I would like to welcome the Minister of Transportation and Communications (Mr. Snow) and officials from the ministry to this very august body. I see Mr. Snow has about a 45-page statement here.

**Hon. Mr. Snow:** No.

**Mr. Chairman:** Oh, I am sorry. Quite frankly, it is not really thick. I have seen much thicker than this one. So whenever you are ready to proceed, minister, we shall be ready to hear your advice.

**Mr. Samis:** Mr. Chairman, may I interject? I was wondering if we could try to plan a little bit of the schedule for the next five sessions. I would like to make the proposal that we set aside a couple of evenings or afternoons for specific votes. We would be interested in Mr. Cunningham's view as well as the minister's.

The two votes I have in mind would be the highways vote and the Urban Transportation Development Corp. vote. We frequently get requests from individual members who want to talk about roads in their riding. If we can tell them it is being held on a specific day, then they can attend. Second, UTDC seems to arouse a certain amount of inquisitorial interest.

**Hon. Mr. Snow:** I did not think you would have any questions on that this year. It is doing so well.

**Mr. Samis:** I am sure you would be looking for—

**Hon. Mr. Snow:** I guess you need some time to give us a little praise for all the great things.

**Mr. Samis:** So I would be interested in other people's views, if we could set aside one or two of the five sessions for those two topics in particular.

**Hon. Mr. Snow:** I was going to bring this up after our three leadoff statements. On the other hand, if you want to set the schedule first, I have no objection.

**Mr. Cunningham:** Procedurally, I would agree that we should set it up now. The only group I do not really need to see is, as usual, the Ontario Telephone Commission. I am of the view that Mrs. Bielski, if she is still there, is doing a great job.

**Hon. Mr. Snow:** She is still there and doing a great job.

**Mr. Cunningham:** One of these years we are going to have to—

Interjections.

**Mr. Chairman:** How far down the road would you like to see those items? What is the item number?

**Mr. Samis:** The highway vote would be 2704. I would suggest either Thursday or Tuesday for that one.

**Hon. Mr. Snow:** I have just been talking to Mr. Foley trying to find out where he has all this time now. He would prefer to be here Thursday night, if that were suitable.

**Mr. Chairman:** Of this week.

**Hon. Mr. Snow:** Of this week.

**Mr. Chairman:** We will not be here next week, obviously.

**Mr. Cunningham:** This week?

**Hon. Mr. Snow:** I think he is probably available next week too. This week he has some out-of-town people coming in for meetings and so on. Thursday, November 3, the day after tomorrow, he would be available in the evening.

**Mr. Samis:** It would be okay with me if we set aside Thursday for the Urban Transportation Development Corp. and Tuesday for highways.

**Hon. Mr. Snow:** Next Tuesday.

**Mr. Samis:** Yes. Would that be acceptable to you?

**Hon. Mr. Snow:** The highways we can do any time.

**Mr. Chairman:** That is Tuesday, November 8.

**Hon. Mr. Snow:** I think Mr. Cunningham mentioned he wanted to have the highway transport board here too.

**Mr. Cunningham:** I think, as a matter of convenience, we might want to do the safety and regulations vote that day as well.

**Mr. Chairman:** The same day as the Ontario Highway Transport Board?

**Mr. Cunningham:** Yes, does that make sense?

**Hon. Mr. Snow:** Whatever you wish.

**Mr. Samis:** What would we have tomorrow if we try and schedule, seeing that tonight will be leadoff and possibly your reply? I assume votes 2701 and 2702 tomorrow?

**Mr. Cunningham:** You can do 2701 tonight as far as I am concerned.

**Mr. Samis:** They go pretty quickly, that is why I am asking. What would that leave for tomorrow?

**Hon. Mr. Snow:** We have five sessions. We have three this week.

**Mr. Samis:** And two, next Tuesday and Wednesday.

**Mr. Chairman:** No.

**Hon. Mr. Snow:** No, just next Tuesday and then Wednesday we do not have estimates as I understand it, because the committee is dealing with another matter. Thursday we do not sit because of the holiday, so it will be the following Tuesday. We have tonight, tomorrow morning, Thursday evening and then the next Tuesday evening.

**Mr. Samis:** I am still a little unclear as to what we will be scheduling for tomorrow then.

**Mr. Chairman:** Well, I suppose almost anything else if we agree.

**Mr. Cunningham:** Why don't we go through almost anything else and leave the highway vote?

**Mr. Samis:** The time problem is just a little bit difficult. It is tomorrow morning rather than tomorrow afternoon. Would it be agreeable to try and do 2701, 2702 and 2703 tomorrow and see how it goes? Thursday is UTDC. Next Tuesday would be the highway group.

**Hon. Mr. Snow:** Vote 2702 is policy, planning and research. Vote 2703 is safety and regulations.

**Mr. Samis:** I do not know if there is enough there for the whole morning frankly.

**Hon. Mr. Snow:** It all depends on how long you wish to delve into that.

**Mr. Chairman:** I guess we really want to set aside the specific things we want to deal with and know in advance.

**Hon. Mr. Snow:** Do you want the Toronto Area Transit Operating Authority, GO Transit here too?

**Mr. Cunningham:** We could have them with the UTDC.

**Mr. Samis:** Yes, make that all one night.

**Mr. Cunningham:** We can do that all in one evening.

**Hon. Mr. Snow:** So on Thursday, November 3, we will say UTDC and TATO and use one evening up for them. What about next Tuesday night, a week from tonight? Do you want Mr. Marrs of the Ontario Highway Transport Board here?

**Mr. Chairman:** We just said highways for next Tuesday night.

**Hon. Mr. Snow:** Oh, okay.

**Mr. Cunningham:** I have a little bit. I would like him here. That is the 15th you are talking about?

**Mr. Chairman:** No, we said the eighth for the highways program. That will take a night, will it not?

**Mr. Samis:** I am presuming, but I am just saying it from previous experience that the OHTB does not take that long.

**Mr. Cunningham:** About an hour I think.

**Mr. Samis:** You think an hour; well not that night then, I guess the 15th.

**Hon. Mr. Snow:** It is possible I could have Mr. Marrs here tomorrow morning, but I have no idea at this moment without trying to contact him whether he might have a hearing on tomorrow morning.

**Mr. Cunningham:** Yes, I would not want to disrupt that.

**Hon. Mr. Snow:** Whereas, if we take an evening, I am sure he does not have any hearings between 8 and 10:30 at night.

**Mr. Chairman:** We will set that up for the 15th, but that is the last night and we have to kind of clean up everything else.

**Mr. Samis:** Yes, that will be the grab bag night anyway.

**Hon. Mr. Snow:** So, say the 15th then for OHTB.

**Mr. Samis:** UTDC is under vote 2705?

**Hon. Mr. Snow:** UTDC is not really any vote. Whenever you want to discuss it, we can discuss it along with provincial transportation, which is GO Transit.

**Mr. Samis:** GO Transit is vote 2705.

**Mr. Chairman:** You mentioned safety and regulations I think. Do you want that down for a particular date?

8:10 p.m.

**Mr. Samis:** Why don't we try votes 2701, 2702 and 2703 tomorrow and see how far we get? We may get through all of them, which would mean—

**Hon. Mr. Snow:** The main thing is that we will be prepared to deal with the rest of the votes whenever we get to them. It is just the Urban Transportation Development Corp., the Toronto Area Transit Operating Authority and the Ontario Highway Transport Board that I want to schedule time for so I can tell them when to be here.

**Mr. Samis:** Fair enough.

**Hon. Mr. Snow:** So we have those set now. Is that satisfactory?

**Mr. Samis:** I think so.

**Mr. Chairman:** Okay, minister, on with the business at hand.

**Hon. Mr. Snow:** Thank you very much, Mr. Chairman. I am very pleased once again to have the privilege of presenting the estimates for the Ministry of Transportation and Communications.

I believe this is the eighth time I have had the honour to appear before your committee or one of the committees to deal with these estimates.

I might say there were four times before that for the Ministry of Government Services.

**Mr. G. I. Miller:** That is 12 years, minister. You do not look that old.

**Hon. Mr. Snow:** Well, I started very young.

I would also like to add that during all of this time I have had the privilege of having Mr. Harold Gilbert as my deputy minister. He is here with me once again this evening, along with the four assistant deputy ministers and two of my executive directors. I think that must be some kind of a record to have the same minister and same deputy doing the same ministry's estimates for eight years in a row. I do not know if it is a record or not, but somebody could do some research on that I guess.

Since last year I have had one new assistant deputy minister appointed. You may or may not have had the chance to meet him in his previous capacity. Mr. Bruce Alexander is the ADM for finance and administration. Previously, Mr. Alexander was chairman of the highway transport board, so I know the two critics are very familiar with him.

In addition, I would like to introduce two new executive directors. Mr. Dave Barr is the new executive director of our communications division—would David stand up and show himself—and Margaret Kelch is the new executive director of highway operations and maintenance

division. I had suggested Margaret should bring her hard hat and coveralls if she is going to do maintenance, but she did not bring them with her tonight.

As has become the custom, we distributed the briefing material to you some time ago—I believe it was last May—along with the most recent planning document, the strategic management at MTC.

For management purposes, the ministry is divided into five programs: provincial highways; municipal transportation; provincial transportation; communications; and transportation regulation. Each of these programs is the responsibility of one of the executives present here with me tonight.

In addition, we have a resources management committee which is responsible for the effective planning and use of all resources across the ministry.

Under the provincial highway program, work is continuing on the extension of projects such as Highway 404, northeast from Toronto. We are well along with the work on Highway 403 between Brantford and Woodstock. Major construction projects are also under way in the Thunder Bay area. In the North Bay area, work is continuing on Highway 16 linking Ottawa with Highway 401. Work is also continuing on Highway 406 in the St. Catharines area.

Under the municipal transportation program this year, we included special funding for some major projects such as the Prairie Siding Bridge in Kent county, the Burlington Street reconstruction in the city of Hamilton and the Taylor-Kidd arterial highway road which is in the counties of Lennox, Addington and Frontenac. It crosses the boundary and parallels the lakeshore as an extra new arterial road. The major construction in the county of Peel at the Malton four corners has been going on for a year and a half now and is nearing completion. Those are just a few of the major municipal projects we have given special funding to.

We also provided subsidy funds for the purchase of some 250 buses by municipalities and included funds for the Scarborough light transit system and the busway system in Ottawa-Carleton.

The provincial transportation program is basically an influence program where we monitor developments in the rail, marine, air and intercity transportation fields. We do have funds for municipal and remote airfield development and maintenance. This year we sponsored a very successful demonstration of the use of computer-

based information systems to provide information on identifying the most economic method of goods movement.

The communications program is still looked upon as being relatively new, but it is growing significantly in importance. It focuses on issues of concern to the residential and business users of communications systems and services. The latest technological developments are being continuously monitored and opportunities for their application explored. The use of fibre optics in traffic management systems is a recent example of this.

The transportation regulation program has undertaken some major initiatives. We have recently introduced a new vehicle registration system which is still settling down but will greatly improve the efficiency and usefulness of vehicle licensing.

In the area of highway safety, we have been focusing our attention primarily in two areas; truck safety and driver motivation. We have also been actively participating in the task force established by the Premier (Mr. Davis) to deal with drinking and driving issues.

I am also pleased to report on the progress of the Public Commercial Vehicles Act review committee and the bus committee. The PCV Act review committee has recently completed its two-year term and has produced a document entitled Responsible Trucking. It contains recommendations for regulatory reform of the trucking industry in Ontario. Work is in progress to implement those recommendations.

The bus committee is currently involved in a major study of intercity bus issues, including the mobility provided for rural residents and bus-rail co-ordination.

I am pleased to report that work on the government of Ontario advanced light rail transit concept is well under way. The vehicle configuration has been agreed upon by the Toronto Transit Commission, Urban Transportation Development Corp., GO Transit and the ministry, and detailed vehicle design is now under way. For the east and west sections, the preliminary design is complete and the detailed design is under way.

Thus far, both Mr. Gilbert and I are more than satisfied with the project management organization for GO-ALRT and expect it to become a model for the industry. It is an organization consisting of a minimum of highly qualified staff, using modern management techniques to control and co-ordinate the extensive use of experienced consultants.

We are also proceeding on a joint basis with the affected municipalities to define the alignment of a new rail rapid transit service that will cross the north end of Metro Toronto and join Scarborough city centre, North York city centre, the airport, Mississauga city centre to the Lakeshore lines.

I do not want to take up the limited time available for these estimates with a lengthy opening statement. I know the committee members will each have specific questions with regard to one or more of my ministry's programs, questions that we can explore in detail at the appropriate time during the appropriate vote, so that completes my opening remarks.

**Mr. Cunningham:** Mr. Chairman, initially I would like to thank the minister and his staff for providing the strategic management briefing book to us in advance and, as well, the booklet that outlines the additional spending aspect of the ministry.

This, I believe, is the seventh occasion for me to be part of the estimates process and I appreciate being part of it. I would like to say at the outset that I believe all, or most, members of the Legislature recognize the importance of this ministry and its vitality in the context of moving people and goods in the manufacturing heart of Canada.

I have a number of areas of criticism that I think, for those of you who have been here before, are somewhat predictable. At the same time, I have a few constructive suggestions. I believe I would be remiss if I did not indicate that some of those are my own personal observations. I find this process valuable so far as it affords us a possibility for an exchange of ideas, some of which occasionally or eventually we see implemented. At least it records the concerns we have about some of the directions you are taking.

8:20 p.m.

I should say that the minister and his staff are endeavouring to make some serious efforts to co-operate with members of the Legislature. I am not certain I would have found myself saying that five or six years ago but, at least on a personal basis, I find a better effort every year to assist members with their constituency problems. I would be remiss if I did not say, at least from my private perspective, that there is a great deal of respect at the highest level of this ministry.

We find that when we write letters we get reasonably prompt replies. I had one hand-

delivered to me today that had a six-day turnaround. I wish I could say the same thing about our friend the Minister of Agriculture and Food (Mr. Timbrell), who has yet to reply to a letter I wrote on August 29, but I gather he is occupied with other things.

**Mr. Samis:** No leadership convention?

**Hon. Mr. Snow:** That is one thing I am not involved in.

**Mr. Samis:** That's right; not yet.

**Hon. Mr. Snow:** Do not write it off.

**Mr. Riddell:** The Minister of Agriculture and Food lost a bit of ground.

**Hon. Mr. Snow:** I do not want to peak too soon.

**Mr. Cunningham:** If the Minister of Agriculture and Food does not pull up his socks, I am going to have to move my support over to Jimmy here. At least I know one thing: if Jimmy runs, there will be a few bucks there, but we will not get into that.

**Hon. Mr. Snow:** We have always been able to pay our bills.

**Mr. Cunningham:** As we reflected when we were talking about the procedural aspects, I would like to reflect several hours on the activities of the Urban Transportation Development Corp. I would hope that we might get a copy of the San Jose contract, if that has been finalized, so that we might determine just how successful we are if we are successful or know the extent of our liabilities if there are any liabilities that would flow from the possible eventual lack of success in that particular endeavour.

As well, I would be grateful if we could have tabled any new polls that have been done since the minister replied to my colleague Mr. Samis on December 9.

**Hon. Mr. Snow:** Any what?

**Mr. Cunningham:** Polls—opinion polls or surveys that have been done since December 9, 1982. I think they are helpful to us. In so far as they are paid for by the taxpayers, I think all of us, as members of the Legislature, should be favoured with the opportunity to take a look at just what is involved and what they say so that we are as current as everybody else with the mainstream of public opinion.

I would like to start by making some very brief statements on the issue of provincial restraint. I imagine in the next couple of days or the next couple of weeks we will see some legislation that will deal with this in a more

specific manner, but I would like to outline some concerns I have about the issue of restraint. I believe, as I reflect on the increase in spending in this ministry and its financial track record, that this ministry has been part of that restraint program, at least part of half of it, and that is the spending half.

I think most of us tend to support the philosophy of restraint because we realize it is not a bottomless pit. I think most of us who have been here for any length of time realize that most of our public servants are generally very hardworking. On balance, we considered that last restraint bill with a generosity of spirit with regard to the program even though people knew, particularly in their retirement years, that it might have a deleterious effect on their pension calculations or on their personal benefits and, of course, on their personal income.

There is no question that restraint is necessary and that there have been some pleasing results within this ministry. What is not so pleasing to me, as a critic, is the occasion where the ministry raises the price of something over which it has either direct or indirect control in excess of those limits. I certainly do not have broadly based public opinion polls done by Gallup or anybody else; it is my gut feeling that there is an overwhelming desire on the part of the public to see government live within its means and conduct itself and restrain itself in the same manner as it would restrain its civil service and its publicly paid employees.

Simply put, if we are to limit our pay raises, whether for members or for members of the civil service, to five per cent or six per cent or a level that is calculated to be commensurate with the level of inflation, then I do not believe government has the right to increase prices—GO Transit fares, Toronto Transit Commission fares, licence fees, licence plates, the tax on gasoline, the price of hydro or whatever—in excess of that amount.

This may be a prescription for increasing the deficit, which I would not support. I suggest there are other ways to deal with that, but you will not otherwise have the public brought into the mainstream of this program. You cannot induce public confidence in what I think is a reasonably sincere program if it is a one-way street.

As a critic, I want to make this as clear as I possibly can. If we are to be part of such a restraint program, I certainly hope the ministry will reflect on these comments and endeavour to keep the increases over which they have

either direct or indirect control by way of ministry subsidization within the guidelines. I think that would do a lot to enhance the public support and minimize the kind of cynicism which unfortunately develops a month or two after the program becomes reality.

I have some general comments on highways. We have had some discussion among the public, at the Ontario Good Roads Association and in other forums, about what could be considered the deterioration of our highway system. Unfortunately, I find there may be some substance to that. It would be my hope, particularly during times of high unemployment, that we would give serious consideration to specifically targeting areas where we can improve our highways and make sure the fine quality we have been accustomed to is maintained.

I know from reading the Hansard of last year's estimates that the minister made some reference to the situation existing in the United States. Having travelled in the northeastern section of the United States, I must agree that there are large sections of what they categorize as state highways that are a little less than acceptable. In fact, they are a disgrace.

**Hon. Mr. Snow:** Even their interstate highways.

**Mr. Cunningham:** Some of their interstates leave a lot to be desired.

**Mr. Samis:** Some of them.

**Mr. Cunningham:** There are states, such as Vermont and New Hampshire, that have road networks and state highways that are absolutely, positively superb. They are impeccable. They have roadside rest spots, which are something a number of us have advocated over the years. It is something I hope that our ministry will contemplate some day.

As I work my way in on the Queen Elizabeth Way, I am distressed occasionally to see that a lot of the sand on the side of the highways has yet to be collected from last winter. I complained about this last year, and I must say the situation has improved somewhat. However, you still see such things as old licence plates, hubcaps and pieces of metal flashing that may have blown off trucks that every now and then cause a blowout on the highway. In fact, there is a piece of aluminum, I think, just at the curve at the Ford plant. It has been there for about six months, and life just would not be the same if you did not drive over it on your way home—in the passing lane, of course—at the regular speed limit.

I would be remiss if I left the impression this

situation applies in my own district, the district in which my constituency falls. That is not the case. The district engineer is doing a great job, and we just do not seem to have those kinds of difficulties in our own area.

**8:30 p.m.**

The strategic management statement pertaining to 1984-89 reflects some good directions in planning. However, I would say—and I have put this comment on the record a number of times—we are missing opportunities. Again, particularly during times of high structural unemployment, we are missing opportunities to update our signal systems and to streamline traffic. I know we are making an effort in that regard, but there are still a lot of energy savings to be made, particularly in municipalities, with turnoff lanes, computerization, advance signaling, etc.

I believe there are a lot of opportunities to take advantage of in the growing high-tech industry that exists in Ontario. It might give such companies a bit of a boost at a time when their stocks seem to be a little low—at least some of the ones I have bought—and enhance employment. I think a lot can be done in that area.

The minister will recall I wrote to him a number of years ago with respect to the establishment of commuter parking lots in what we would categorize as suburban areas. I was very pleased to see quick action taken at the foot of Highway 6, south of Clappison's Corners and adjacent to Plains Road. It is in the riding of Burlington South actually, although I think most people who use that lot are my constituents. I am amazed now that the lot is invariably full.

When I have occasion to travel north, I see the ministry has a similar facility at Highway 401 and Highway 6. The people do not have to park at the church—it is a little farther north and on the left—and it is equally well used. I think this is the kind of thing we could be taking a look at. More and more people are taking advantage of car pooling or van pooling. The ministry's program in that regard is a very good start.

The minister might want to consider what a number of states in the northeastern United States are doing. They post on the highway a number that people can call to get involved in a commuter or van pool. I think in the advertising business they would call that point-of-purchase advertising. It certainly is directed at the consumer. I do not know whether that idea is

realistic for us, but if we had those kinds of signs on the highway it might help.

I would like to get into a longer and more detailed discussion of safety and regulation when we are dealing with that vote, particularly when the assistant deputy minister is here with us. I think we are not doing enough preventive work in this area. All the best intentions of this ministry could be undone in two months of lifestyle advertising by the breweries.

I do not want to single out the breweries. The last time I was in I picked up one of their little calendars—the print is too small for even me to read now—and I noticed we are low among major western countries in beer consumption. We are far lower in per capita consumption than West Germany, say, where they average 140 litres per person per year, whereas we are averaging 86 litres.

Interjection.

**Mr. Cunningham:** That is right. The parliamentary assistant indicates quite correctly that the tax on beer requires a loan at the Canadian Imperial Bank of Commerce in advance and in fact does reduce some consumption. But even with our lower consumption, there is a great deal of carnage on our highways that has to be alcohol-oriented.

I have reached the stage where I feel it is almost counterproductive for the ministry to spend money on promoting safe driving on TV. Our youth in particular are bombarded by strategically targeted 30-second commercials by our breweries, hour after hour, night after night. It is well beyond what those of us who were formerly in the ad business would call a saturation point. It bothers me quite a bit. I think the time has come when we could use some moral suasion with the breweries to see what we can do to minimize this lifestyle advertising.

I do not believe the solution is to have the Ministry of Transportation and Communications, or any other ministry, match the breweries dollar for dollar on the Dukes of Hazzard or whatever we are watching. I do not think that is a solution. I would hope we would not have to be as pervasive as to ban the advertising, but I think it is reaching a stage where it is a very serious social problem.

I would be remiss if I did not indicate that one brewery in particular, Labatt's, deserves some commendation for initiating a major program on its own. I took the time to write a letter to the president of their brewery division, Mr. Oland, and advised him that I thought that was a

tremendous initiative on his part. I sense that Labatt's has broken some traditional, unwritten rule among the producers, where that kind of thing just did not go on. If that is the case, then I say bully for Labatt's.

I was pleased to see the announcement today about vehicle inspections for propane. Given the difficulties you are experiencing, although minimal, I think that is an appropriate idea. Again, I would like to reiterate my personal concern that an annual inspection should pertain not just to propane vehicles alone but to every vehicle.

In Massachusetts I think they have to go in twice a year, and in New York state once a year, to obtain a fitness certificate. It is somewhat of a cursory test, but I believe it helps the consumer. Certain maintenance problems are located, and I think it is in the public interest to have some of these vehicles inspected.

I make this suggestion to you because, if anybody has not noticed, the price of automobiles is going up and up. I think your records will indicate that people are keeping their cars a little longer. The logical conclusion of that would be that we are going to see more stress on an automobile and a greater tendency for some kind of structural fault or deficiency.

Regular vehicle inspections would help get some of the clunkers off the road, or at least require the owner to tune them up. Of course, there are provisions in the act already to deal with it when they are traded, but I do not believe that has the kind of effect we would like to see.

**Mr. Samis:** Do you think we should find out why the minister got rid of his so quickly?

**Mr. Cunningham:** The minister's?

**Mr. Samis:** Yes.

**Mr. Cunningham:** I was not aware.

**Mr. Samis:** You did not have your propane vehicle very long, did you?

**Hon. Mr. Snow:** About a year and a half.

**Mr. Cunningham:** The minister would know more about it than I, because all I do with propane is cook the occasional steak, and I am not very good at that.

I would like to comment briefly about the licensing process. I have commented before in this regard. I do not believe we are sufficiently stringent in this process. When I got my licence, I was told that a driver's licence is a privilege. That was reiterated to me when I had accumulated nine demerit points. After my visit at Plains Road in Burlington I was certainly persuaded that it was indeed a privilege. And I did

two things: I slowed down and I stayed out of Toronto, particularly at the end of the month.

There are some things we could do with the licensing process. I am not entirely attracted to this preoccupation many of our driving school instructors have with all this classroom activity.

I do not want to be unduly critical of the John Rhodes Driver Examination Centre. I had some disparaging remarks to make about the centre—I would never make a disparaging remark about the man—but it really is a little strange that somebody could go there with his driving instructor, go through this unreal system—you are not really in the mainstream of traffic—get your licence and get out on Highway 400 at rush-hour and try to navigate through north Toronto.

I can see—at least I am advised—why some of the driving instructors want to drive their guy back, even though the guy they took up to get the licence now has a licence and is qualified to drive. If you talk to any of the instructors, they drive back. I think that is called self-interest.

I would also like to see—and this will cost a little bit of money, but in the context of what we have I think there are some cost benefits—increased support for things such as the Council on Road Trauma, which is located in my own area. A collection of professionals, particularly medical specialists who deal with emergency room surgery, who have volunteered their time to help develop public awareness of better driving skills and the dangers that are on our highways. They are also working very conscientiously as volunteers to develop better, safer and more effective ways of dealing with accidents as they occur.

The support by the ministry, not only to that group but also to the Ontario Safety League and others, has been generous in the past. I think the payback is tremendous, particularly when you are getting people whose tariff under the Ontario health insurance plan, if we were in for an office visit, would be somewhat significant and even more significant if they were opted-out. These people are all donating their time. They are very generous people.

8:40 p.m.

When we are dealing with the safety vote, we could have a meaningful discussion on drinking and driving. I have discussed this matter with the assistant deputy minister. I know he is very concerned about this. For myself, and I would like the record to show this, I think we are sometimes preoccupied with punishment instead of prevention. That deals in part with my comments on the excessive lifestyle advertising.

I think we sometimes think that there is a panacea to it by increasing the fine or lengthening the suspension. I believe your own statistics probably would demonstrate that at a certain point you have a parallel argument that could be associated with speed limits. I forget the phrase the ministry uses; I think it is "level of acceptance," or whatever. If we said the speed limit on the Queen Elizabeth Way was only 40 kilometres an hour, which is what it is on the Gardiner Expressway during rush-hour anyway, it would not be respected because it is not realistic. The highway is designed reasonably well, and people drive faster than that on it; they drive 100 kilometres an hour when they can.

The same thing applies with the suspension deterrent. You can take a person's licence away, you can respond to public pressure and say, "We will take your licence away for five years," but if a person is bound and determined to drive, and we do not have effective controls to get at him, you have a problem.

Sometimes we ignore not just an attitudinal problem but also a clerical problem. Maybe some of these people should be not driving at all and should be advised of that. Sometimes it is not just a matter of showing them a film, suspending their licence for three or six months or asking them to attend Alcoholics Anonymous; it may be something far more complex, from a psychological point of view, that we have to get involved in.

I know the ministry had a method of dealing with that in the context of the medical profession. But I must say, and I know the deputy minister might agree, that the medical profession is sometimes reticent to turn in a patient. Doctors are reticent to say that good old George is demonstrating advanced signs of alcoholism and to notify your people pursuant to their obligation, because they do not want George to lose his licence, his job or his family.

**Mr. Samis:** Can you not say Jim or Jack instead of George?

**Mr. Cunningham:** Ralph, Morley, Eric. They are reticent to do that. Again, I think that is a major problem.

When we do deal with the safety vote, I hope we might again have a discussion about school buses. I remain concerned that we still perpetuate some hypocrisy in this province in so far as we wisely require people to be belted up in their cars. As of today, every child must be restrained. The bottom line is that everybody in Ontario must be restrained by an acceptable device which I thoroughly endorse.

There is a large element of hypocrisy when we permit people to stand on school buses. I know it is not the easiest problem in the world to sort out. I know there might be the occasion, when a family moves in down the street, up the concession or whatever, that might require an extra person on the bus every now and then. But I believe we have to make an effort to minimize standing on school buses. It is inconceivable to me that we still permit that. However, I have made my point on that. We can discuss that maybe when the time comes.

The minister is well aware of my concern about motorcycles and motorcycle testing. I think there is a parallel between the lack of adequate testing procedures and the laxity with which we permit people to be licensed to drive cars. The only difference is that when you get hit in a car, if you have your belt on you might bounce around a bit, but if you get hit when you are on a motorcycle we are into an inquest, an autopsy or maybe a funeral. That bothers me.

While we are on this topic of safety and regulations, for my part I would like to see pictures on licences. It would do a lot to help some people cash cheques on weekends. More important, it would assist the police in doing their job, particularly with the people who have had their licence suspended. I know there may be some philosophical differences of opinion with some people in the requirement to have their picture on their licence, and some of us are not all that photogenic, but the bottom line is that it would be a good idea and somehow we should work on it.

I should digress and say that I appreciated the invitation to attend the ground-turning at the Burlington Skyway, which was done very ably by the minister, who has some passing familiarity with heavy equipment. I am sorry I could not make the reception at the Burlington Golf and Country Club. I had some other activities where I had to buy my own lunch.

None the less, even though we did not get our tunnel, I happen to believe the improvement to that bridge, which is long overdue, is going to do a lot for the entire community. From a development point of view, it will help the entire area. We certainly welcome it. I have gone down several times to see the progress that is being made in terms of the access routes.

My only regret is that we wiped out the Tien Kue Restaurant, where I used to like to go every now and again for some Chinese food. But if that is the price of progress, then so be it.

**Hon. Mr. Snow:** There is no Chinese food there now?

**Mr. Cunningham:** No. It is all gone.

**Hon. Mr. Snow:** I think they relocated. I think they are still in business.

**Mr. Cunningham:** I think they have gone to your riding.

**Hon. Mr. Snow:** I did not know that, but if they have, I will have to go there for a meal.

**Mr. Cunningham:** We will have to go to the grand opening together.

**Mr. Samis:** And have a ribbon-cutting ceremony?

**Hon. Mr. Snow:** They did not invite me to the ribbon-cutting ceremony.

**Mr. Cunningham:** Yes. We can have another reception.

I hope it is not too late for the ministry to consider the use of Verglimit on parts of the highway. The minister squints and indicates that he—

**Hon. Mr. Snow:** We have looked into it.

**Mr. Cunningham:** I would be surprised if he had not.

**Hon. Mr. Snow:** That has been tested on some of our bridges. I do not think it has worked out very well, as I recall. It is a European process for skid resistance on ice-covered bridge decks. I know we have done testing, but I can get you more details on that.

**Mr. Cunningham:** I would like to know what the experience has been and whether it has been a valuable experience. I know we are always in the mainstream of progress. If there were value to it, I would like to see us look at it.

Lest I be accused of being parochial, I would like to nudge you a bit again on some local transit needs and specifically the issue of Canada Coach Lines. I know my good friend and very able chairman of the regional council, Mrs. Jones, has been in contact with you probably only 45 times on this subject, but I believe there is merit to the region's concern.

Simply put, our region, Hamilton-Wentworth, has been subsidizing the deficit of Canada Coach, which has not been all that excessive, particularly as there is a deliberate attempt, in my view, not to market its services. It is hard to get a Canada Coach schedule. The member for Cambridge (Mr. Barlow) might be aware of that; I do not know whether or not he is.

The service has been a good one. We need it. It is basically the only interregional transit bus

service we have. It serves the Cambridge area, Kitchener-Waterloo, Haldimand-Norfolk—or at least it did; I do not know whether it has terminated there, because I must admit it has been a long time since I have been on one of their buses—and the St. Catharines-to-Hamilton route along Highway 8.

I need not remind you that route goes through three cabinet ministers' ridings. It would be incomprehensible if we allowed that service to deteriorate in three cabinet ministers' ridings. It would not be permitted to happen in Oakville, and I know it would never happen in Humber, but it runs through St. Catharines, Lincoln and Wentworth, and some folks definitely need it.

**8:50 p.m.**

The point I make in advising you to perpetuate it, even though it does sustain a marginal debt, is that at some point in time, maybe four or five years from now, you might even want it, and probably could get it for \$1. I am just guessing. But you probably could get it and, of course, its routes. You could get the routes if you wanted them anyway. They could serve as a great feeder to what I think is going to be a tremendous service to Hamilton when we do get our rapid transit facility through. That brings me to my next point, which is that specific proposal.

You have had some information events, I guess I would call them, in the Hamilton area. I am told they are by invitation only, which sounds to me as if they are more like a Tory fund-raising deal than anything else. Some of them have been advertised, but I have attended one or two meetings that I believe were just by invitation only, and I can tell you right now that I was not invited.

**Hon. Mr. Snow:** Which meetings are these?

**Mr. Cunningham:** These were government of Ontario advanced light rail transit information meetings for the community.

**Hon. Mr. Snow:** I am not aware of it. We have not made the presentations or started the public meetings in Hamilton yet. We have had them in Burlington and Oakville.

**Mr. Cunningham:** Then I should not be critical; I barged into private meetings.

**Hon. Mr. Snow:** There have certainly been some discussions, staff meetings, down there.

**Mr. Cunningham:** I barged into private meetings then, and maybe I should not be so bold.

What bothers me, having attended these meetings, is the reluctance on the part of the people there to talk about any kind of option in

terms of the provision of the service and the technology to be supplied. I will get into that in more detail when we get into the vote concerning the Urban Transportation Development Corp. and the Toronto Area Transit Operating Authority, but I think you know my view on it.

I remain of the view that the city should indicate very quickly where they stand in terms of the location. In a discussion with our local chamber of commerce, we were advised today by the member for Wentworth (Mr. Dean) that it was "shave or get out of the bathroom" time in making up our minds where that money went. I got the distinct impression, and I may not be mistaken, that if we did not decide very quickly it would not be inconceivable that the money might go somewhere else. Some would call that a threat. Some would maybe just interpret that as good planning.

I would hope the city would make up its mind reasonably quickly. My own personal view is that it should go downtown, but I would be very annoyed if some delay by the local municipality were to result in the removal of the commitment to extend this service, which we think is long overdue.

In advance of this discussion, if you are able to, I would like to see the kind of contract you have with Canadian National that helps you accommodate your existing service. I do not believe I ever have seen them—not that I should be privy to them—but we have constantly been told by you, and I accept your word in this regard, as I always have, that we have had a very difficult time dealing and negotiating with the railway.

I read a poll in the papers not that long ago that indicated the other party is doing quite well—so well, in fact, that as I see in tonight's press they are predicting only four Liberals in Ontario—

**Mr. Samis:** Maybe five.

**Mr. Cunningham:** Maybe five—and one New Democratic Party member who shall remain nameless but who used to be a member here. That may mean you might have some more cards to play when you are dealing with those folks at some future time; I do not know. But would like to know specifically where we are whether we are being held up financially, and just how bad a deal that current arrangement is I would like to hear as well, when the TATO people are here, the progress we are making with regard to Oshawa.

My final concern is again very parochial. I

relates to Highway 6; so I know that the chairman will condone my inclination. Do you never use Highway 6?

**Mr. Chairman:** I generally go through Cambridge; so I do not bother with it.

**Mr. Samis:** What a parochial view.

**Mr. Cunningham:** Well, your constituents use it all the time, because I get hundreds of letters about safety issues.

**Mr. Chairman:** Do they really?

**Mr. Kells:** That is all you get out of your riding at any rate.

**Mr. Chairman:** One-way traffic.

**Mr. Cunningham:** I am just guessing, but the ministry has spent millions in improving this highway, and I want you to know I have stopped referring to it as "the killer highway," as I used to a number of years ago. Others still may refer to it as such. I do not necessarily feel it is all that constructive to do that.

I am advised by your staff that statistically we are below the provincial average for fatalities on similar highways and we are below the provincial average for accidents. That is a tremendous improvement from the days when we would pick up the *Spectator*, the *Globe and Mail* or the *Toronto Star* and read of the horror and tragedies that took place on that highway. I believe a lot of it was driver-induced, but it was a dangerous stretch of highway. I hope the balance of the project, from Freelon to Highway 401, can be expedited as quickly as possible.

The minister received a letter from me on the subject of a proposal before the National Energy Board by Interprovincial Pipe Line Ltd. If ultimately approved it could see 100 to 120 trucks per day operating a propane transfer facility on that highway. I am a great believer in free enterprise, but I also support the notion that they should convert that pipeline and minimize the obvious danger of shipping this commodity either by rail or truck. It is obviously safer in the ground, going through the chairman's riding or my riding, and ending up at a sensible transfer facility.

I know there is a great deal of opinion in my area and in surrounding areas about the inadvisability of this site. It contravenes all our local bylaws. It contravenes our regional plan. Consequently, both our local municipality and our region are vehemently opposed to this proposal. The Halton Region Conservation Authority also has retained legal counsel and is party to this dispute, in addition to myself, the federal member and several local groups. Our objec-

tions are not just based on the not-in-my-backyard syndrome. If it were not on a highway, and it were in a safer location, we certainly would go for it.

You may wonder why I am raising this in these estimates. It is because I have yet to be convinced that we lack either the jurisdiction, the ability or the facility to morally sway the company to do the right thing, which is to locate in a more sensible place, in a location where it would be industrially zoned and closer to its market, which the company says is Toronto.

I do not want to be critical, and I have not been overly critical tonight, but I see the problem as being one of the ministry appearing to be somewhat passive in this. I think instead that after all the money that has been spent by the municipality in cleaning up what was generally acknowledged to be not the safest highway, we should be party to this dispute.

We should be showing some leadership in it and we should be using every possible card we have, including statements of policy through the Ministry of Energy. That ministry has not been helpful to us whatsoever. There could also be letters from this ministry to the corporation respectfully requesting that they look at alternative sites, or the ministry could be joining with interested parties in this in a legal fashion. It is incomprehensible to me that we would not be part of this very real dispute.

I do not believe the presence of those vehicles is going to enhance the safety situation on that highway one little bit. If we did not have the powers that were so extreme in that federal statute, we probably would be thinking it would be ill-advised for a dairy to put that many trucks on the highway, or a gas station or a drive-in snack bar. It is only street talk in the community, but I am advised that an application for a gas station was refused at that very site.

What I am saying very simply is that I implore you to take an active role in this. I am not criticizing you for not, but I have presented the facts as best I can. I can provide you with some independent analysis which I will gladly copy and send to you. I commit myself in that regard, but I feel we are courting a tragedy there, I really do.

9 p.m.

When the effort has been made to upgrade that highway to the extent that it has, to the extent that our fatality record has improved tremendously and it is now part of our provincial average where the rates are down, and the ministry deserves some credit for that too, I

really feel that now is the time to demonstrate a little bit of moral suasion, if not actual participation, supporting the region as litigants.

We have now found ourselves in the Federal Court because we are challenging on some technical issues, but that would not stop the ministry at all from re-evaluating its position on this. I believe that if the minister, particularly with his power, indicated to the principals of the company that in view of the intense pressure—not just a number of people collecting petitions, but our local municipality by a recorded vote, our local region, our regional solicitor, our conservation authority, our school board and both of our elected representatives—we really are serious about this.

I do not believe it will be a happy day if that federal legislation, untested as it is, with its tremendous power—and it is not inconceivable that they could put it on the front lawn here. If they made an application we would have to entertain it. That would probably be equally ill-advised.

With that, Mr. Chairman, I would thank you. I appreciate your patience as I have made my traditional rambling remarks prepared by myself and I would defer to my colleague Mr. Samis.

**Mr. Chairman:** Thank you, Mr. Cunningham. I think you seem to be mellowing, certainly in my brief experience here.

**Mr. Cunningham:** It is the medication.

**Mr. Chairman:** Is that what it is? I am sure it has been very informative to the minister and to the committee.

**Mr. Samis:** Mr. Chairman, I am tempted to concur in your remarks, but I will refrain from passing any judgement on the tone of Mr. Cunningham's remarks. I always enjoy listening to him and consider him to be a very knowledgeable critic on the subject.

Once again it is a pleasure to participate in this annual rite at Queen's Park and I want to begin by congratulating the minister for several things. First of all, the brevity of his opening remarks stands as a testament to his—

**Hon. Mr. Snow:** It must be a record.

**Mr. Samis:** —apolitical attitude towards these estimates. A stark comparison could be made with the Minister of Education (Miss Stephenson) who is the total opposite, and I would ask that the minister consider sending a copy of the Hansard of his estimates to that minister so that she might get some ideas.

I also want to congratulate him on the longevity of his tenure. Eight years is a long time in one

portfolio, especially with the Davis cabinet, and I think it is unquestionable that he has outlasted many of his critics in the media, and even certain opposition members, who suggested he would not be around in the most recent cabinet shuffle.

**Hon. Mr. Snow:** The last six cabinet shuffles.

**Mr. Samis:** You are a perennial subject of speculation, that is true, but so far you have proved to be much more durable than your critics in many cases. I do trust that you have received some sort of letter, communication or congratulations from Allan Grossman. It is the least he can do, considering your longevity. He was always considered to be the Anastas Mikoyan before you earned the award of the cabinet.

**Hon. Mr. Snow:** I have not had any correspondence from Allan.

**Mr. Samis:** I think you deserve it and I think you should talk to Larry the Lip and suggest to him that the old man should give you more recognition for your accomplishments than he has so far.

I also want to congratulate the minister for his interests in other fields beyond transportation. I think they are admirable and I give him credit for taking a deep interest in the Oakville dome in his riding. I have noticed so far that of all the different proposals being suggested, I think it has been the only one that has been unanimously rejected by Hamilton and Toronto as unsuitable.

**Hon. Mr. Snow:** I do not think so.

**Mr. Samis:** It has been turned down by both and you know it, but I admire you for your initiative and interest.

**Hon. Mr. Snow:** I did not really expect Hamilton and Toronto both to come out like gangbusters in favour of it, although it is the best proposal that has gone in.

**Mr. Samis:** I will avoid any parochial comment because the facts speak for themselves. When Pal Hal speaks, Uncle Billy and the boys listen.

I also want to express a certain sense of frustration that Mr. Cunningham referred to last year and less so this year about the whole process of estimates. It gives us an opportunity to raise issues and pose questions, but on the other hand it just sort of reinforces the general sense of impotence we have as individual members around here because we know where, how and when the decisions are made.

It is my suspicion that this growing sense of impotence is not confined to the opposition

benches. I congratulate the federal member for High River on his sudden interest in the matter and hope he pursues it in the federal Parliament. He may have some influence on the provincial legislatures as well.

However, I do realize that matter is well beyond the minister's control—

**Hon. Mr. Snow:** Who is the member for High River?

**Mr. Samis:** I am trying to remember the name of his riding. JC are the initials. You probably voted against him in Winnipeg and Ottawa.

**Mr. Cunningham:** You can be sure of that.

**Hon. Mr. Snow:** I have not really consulted him with regard to my estimates or the ministry—

**Mr. Samis:** I realize we are talking about the process.

**Hon. Mr. Snow:** —or anything else as far as that is concerned.

**Mr. Samis:** I suspect you do not consult him for anything. You do not consider him to be a suitable person to direct the fortunes of your federal colleagues, but we will not get into that.

I do notice that the growth in this ministry's budget has certainly not kept up with the rate of inflation. I do not quite share Mr. Cunningham's enthusiasm for the restraint program, especially in times of high unemployment, but his comments were predictable, just as mine are. The fact that the budget has only risen from \$1,413,000 to \$1,475,000 and the fact that it is not even half the inflation rate underscores the dilemma the ministry has been put in.

The increase in the highways budget is a mere \$14 million, or less than one per cent, and in the municipal roads budget the increase is a miserable \$1.3 million, or less than one tenth of one per cent. This is so infinitesimal, so negligible and so paltry we consider it a virtual freeze on road and highway budgets for 1983-84. Naturally it will be interesting—

**Hon. Mr. Snow:** I will comment on this when we get to it, but there is a supplementary estimate for the municipal roads which does improve the situation slightly.

**Mr. Samis:** It will be interesting to see if the purse strings are loosened for the 1984-85 budget when an election is likely to occur. The experiences of 1975, 1977 and 1981 in different ministries seem to indicate a little pattern that the deficit does not become quite as much a concern for the Treasurer as it does in non election years.

Since highways are always high profile and

good political fodder to bribe voters with, I would suspect that the backroom boys behind the Big Blue Machine will see to it that the ministry is given somewhat more favourable consideration when next year's budget is drawn up.

The minister is not a particularly partisan or political minister à la Larry Grossman or Claude Bennett and I congratulate him for the relatively nonpartisan manner in which he administers the ministry and approaches its problems. Overall, I want to say I think the ministry is well administered and the staff are able and dedicated and that the province is generally well served by this ministry.

Naturally that does not mean it is without fault or controversy. In this leadoff I would like to delve into eight or nine areas briefly to raise some concerns, questions and matters of general interest.

One of the minister's more controversial initiatives in eastern Ontario, my part of the province, had to be the somewhat precipitate actions taken in Ernestown township near Kingston. You aroused a lot of local flak when you bulldozed five hectares to open up a quarry at Highways 401 and 133. The action breached a number of regulations besides the municipality's official plan and zoning restrictions and I do not know if the matter made its way into the courts or not as the local officials had threatened to pursue it.

**Mr. Cunningham:** Let us hope not.

**Mr. Samis:** The Kingston Whig-Standard, normally a low-key, small-town, small-c conservative paper, was so riled by the minister's actions that it editorialized on May 20, 1983, with the headline "A Bull-headed Stunt by Snow." I will just quote briefly from that editorial.

"The bulldozing of five hectares of Ernestown for a quarry that the municipality argues can be better placed elsewhere is an act of supreme contempt by James Snow.

"This is not the first such bull-headed stunt by Ontario's Minister of Transportation and Communications. He was fined two years ago for jumping the gun on environmental assessment. 9:10 p.m.

"Snow's decision on the quarry for Highway 401 reconstruction not only shows contempt for the residents and officials of Ernestown, it also shows contempt for his colleagues in the cabinet, which has proposed a policy (still to be adopted by the Legislature) that would require consultation with municipalities in such cases.

"But Snow doesn't believe in consultation. The land he preferred was within one kilometre of Highway 401 and the nearest alternate site is some seven kilometres away. So he sent in the bulldozers.

"It's time Bill Davis sent in his own bulldozers to uproot Snow from the cabinet."

Rather harsh words from the normally cautious Kingston Whig-Standard. I think the minister is aware that whole episode has aroused some fairly strong feelings among local officials west of Kingston.

**Hon. Mr. Snow:** Funny, I was there all day yesterday, I was with the municipal officials from the township and there was not one word mentioned about it.

**Mr. Samis:** You probably brought a few goodies down to them and dangled some carrots in front of them so that they behaved themselves.

**Hon. Mr. Snow:** I was in Goderich this morning—

**Mr. Samis:** Since I never got the opportunity to raise the matter in the House, I would appreciate a statement by the minister on his action and his reply to the criticisms made of him and his ministry at the time by the Whig-Standard and by local officials, with which I am sure he is rather familiar.

I was going to raise the question of propane and safety in the province, but the statement by the Minister of Consumer and Commercial Relations (Mr. Elgie) this afternoon in the House answered most of my questions. It dealt with the topic at hand, but I would just like to confirm a couple of things.

First, I congratulate the minister and his colleague for finally acting on it. The problem has been raised in the House several times by myself and the member for Port Arthur (Mr. Foulds). We also raised it in estimates previously and I am glad to see action is being taken.

If I read the minister's statement correctly today, especially page 5, my impression is that there are still loopholes. While people are being warned there are problems and are being told they should go back to get their vehicles checked, someone could still drive for another 14 months in Ontario before he has to go back to get his car checked at an inspection centre. If that is true, I find it incredible. I assume that most people would respond favourably to notices being sent out, plus publicity. For those characters who do not, to allow them to continue driving around the province strikes me as unacceptable.

What does the minister intend to do about that? Could he just amplify a little more on what is stated on page 5 and other parts of the speech today? How extensive will the inspection program be beyond the Metro Toronto area? And would any cost be involved?

I want to take this opportunity to give credit to Michael Austin, the chief instructor of the Propane Conversion School here in Toronto. He is the one who I think first raised the issue and I think he deserves a lot of credit. I remember his colleague in Consumer and Commercial Relations scoffed at it and made some criticisms but I think it has been proved correct.

I think the fact this sort of action is being taken vindicates what Mr. Austin was saying about the quality of the conversion and some of the people involved. I think the general public owes Mr. Austin a vote of thanks for raising this issue and standing up for something he was deeply concerned about and has been proved right about.

I would like to comment on the question of child restraints, and it is kind of ironic we should be discussing that today when the new law takes effect. I am pleased the full program is now in effect. If I am not mistaken, I think New Brunswick is now emulating Ontario and I am pleased that—

**Hon. Mr. Snow:** They have their seatbelt legislation in. I do not believe they have child restraints too.

**Mr. Samis:** They have not got to child restraints, but I think Ontario served as an incentive for them—our experience in overall—

**Hon. Mr. Snow:** We were the first in North America to bring it in, so we were the incentive to—

**Mr. Samis:** I thought it was Saskatchewan.

**Hon. Mr. Snow:** No. We were well ahead of Saskatchewan. We were the first jurisdiction in North America to bring in the seatbelt law in 1975.

**Mr. Samis:** I want to congratulate the minister for his efforts in lifting the sales tax on child restraints. I presume it was his efforts that were successful in persuading Larry Grossman, the candidate for Premier, to lift the tax, for a brief period anyway, on child restraints.

In my opinion, since we have made them mandatory, I do not believe there should be any sales tax imposed on them because parents have no choice in the matter and simply have to buy them by law. Yet, after the end of this year, we are going to be taxing them for it. I find that

difficult if not impossible to accept. However, I realize that Larry's greed and grand designs carry more weight than the minister's intentions in matters such as this in the cabinet.

On the overall topic of child restraints, I would like to raise a matter that a gentleman from St. Catharines raised in correspondence with me. If I recall, the member for Prescott-Russell (Mr. Boudria) also raised it in the Legislature on Monday with Mr. Elgie who, I should emphasize, did not answer his question at all and skated all over the place.

Essentially, the matter raised by this gentleman, who is on the staff of Brock University, is a good one. He was telling me in his correspondence that if one goes to an airport in Ontario and goes to rent a car and if one has a child it is virtually impossible to get a child restraint device in a rented car.

I understand as well in talking to Mr. Boudria that he has experienced the same thing. They are just not available. If we have huge corporations such as Avis, Budget and Tilden operating in our province and we have a law—a very sensible law, a very well-thought-out law—these companies should not be allowed, because they are working out of a federal property, to get around it. I would ask the minister what he is doing. I understand there may be some jurisdictional problems but I find it intolerable that these people would not be abiding by the law. I ask the minister if he would report to us on that.

Dealing with the general question of provincial transportation, I would like to turn to the marine component of the ministry. Coming from a seaway city and the home of the St. Lawrence Seaway Authority, I want to express my concern in the strongest possible terms about a project I believe would do Ontario irreparable harm. I am referring to the bill that received preliminary approval in the United States Congress to open the Great Lakes to year-round navigation and to keep the seaway open year round as well.

I realize the bill has been approved only by the House standing committee on public works and transportation and it must appear before the full Congress early this winter, but it is important that the Ontario government take a strong stand on the matter and ensures that the federal government makes the American legislators fully aware of our objections to the project.

As are many others, I am deeply worried about the effects of such a project on our environment, our wildlife habitat, our fishing

grounds, our shoreline property and our capacity to generate hydroelectric power. I do not have to remind you that the largest hydroelectric station in the province is located on the St. Lawrence River in my riding. I understand from the October 6 edition of the Hamilton Spectator that the minister has called the project "unrealistic" and "leaky" and has expressed doubts about the benefits versus the problems it would create.

**Hon. Mr. Snow:** I do not remember calling it leaky.

**Mr. Samis:** That is what the Spectator had you down for.

**Hon. Mr. Snow:** My friend the Spectator reporter usually quotes me correctly.

**Mr. Samis:** Maybe it is your memory that is faulty and the Spectator is accurate.

I would like to know what initiatives the ministry has taken to make both the federal government and the American government aware of Ontario's position. Have you taken a formal position on the project? Have you communicated that position to Messrs. Caccia, Axworthy and MacEachen, and to Mrs. Dole and Mr. Ruckelshaus in the United States?

I do not want to resort to any jingoism but the fact that there has apparently been no consultation whatsoever between the proponents of the project and any Canadian or Ontario government authority makes one extremely wary about how much thought has gone into the project as to its effects and consequences relating to Canada.

I am encouraged by the strong position against the project taken by Great Lakes United, a coalition of labour, business, industries, sportsmen and citizens' organizations and the strong stands taken by the governor of Michigan, who called it "a billion-dollar boondoggle," and the congressman from Buffalo, Henry Nowak, who declared, "The cost to both countries will clearly outweigh any gain to the grain and steel interests in the US midwest who are pushing for the bill's passage."

To assume, as did the US Army Corps of Engineers, that Canada would pay 50 per cent of the costs in the international waters of the St. Clair River, Lake St. Clair and the Detroit River and 100 per cent of the costs in the Welland Canal and the St. Lawrence River without even consulting Canadian authorities is downright insulting and reminiscent of the days of the Roughriders and Teddy Roosevelt. For those of us living along the Great Lakes, the St. Law-

rence and the St. Clair, this is an important matter. As I said, I hope the minister will address it forthrightly.

9:20 p.m.

I understand that the minister was a participant at a recent forum on the St. Lawrence Seaway in Quebec City. I would appreciate knowing if any initiatives in this regard were taken and what is being planned for the April meeting which I believe is to be held in Ontario.

Turning to the rail component of the ministry, it would seem that this aspect has retreated into semi-seclusion since the glare and publicity two years ago of the report on *The Future Role of Rail*. That report talked about a stronger role for the province in revitalizing rail in Ontario and a new partnership between the railways and the governments of Canada and Ontario. While I admit that the government did take some positive initiatives when the federal government abandoned three of its rail services in southern Ontario, it seems that much of the momentum has dissipated.

I would like to touch on one particular point, the question of transporting dangerous goods through Metropolitan Toronto. I fully acknowledge that the primary responsibility lies with the feds. However, I believe that the provincial ministry can take some initiatives regarding the transportation of dangerous goods on our highways, although I recognize they cannot be of nearly the same magnitude. Like the trucking aspect, this issue is one where progress seems to be agonizingly slow. The city of Toronto and organizations such as M-TRAC—Metro Toronto Residents Action Committee—have spoken out strongly for the need for action. I would hope the minister would do likewise to get the railways moving more quickly.

Some of the concerns raised by M-TRAC strike me as legitimate and worthy of provincial support. I would briefly cite some of their proposals. For example, a priority system for retrofits, especially of the cars dedicated for hazardous materials, compressed gas cars in particular; special rules for cold weather operation of tank cars, especially compressed gases; special handling of empties as or when partially loaded; prioritization of track upgrading and hazardous goods routing; and defining acceptable limits for residual amounts in a tank car on a per chemical basis. Those are just some examples.

I believe M-TRAC has made some 15 recommendations in all to improve rail safety in urban areas. While I recognize that Canadian

Pacific has made some moves this year to improve the situation, I would hope the rail office would make this one of its priorities so that we can avoid another Mississauga disaster.

I would ask the minister to report on what initiative his ministry has taken this year in regard to the ongoing problems at Nakina. I am quite sure the minister knows the member for Lake Nipigon (Mr. Stokes) has lobbied long and hard with the federal government, and I believe with the minister himself, to prevent that from being closed. I also ask what action the rail office has taken in regard to the ever diminishing rail facilities on the Bruce Peninsula.

As to the air office, the ministry's program of expanding airport facilities in smaller communities in eastern and northern communities over the past years has been an excellent one that has strengthened the infrastructure of the less developed regions of the province. In my own area, I would hope the local authorities in the united counties of Stormont, Dundas and Glengarry would resolve their differences so we could get on with the job of constructing a municipal airport and take advantage of your various programs.

In the case of the Summerstown saga, I would like to know if your ministry has had any discussions with the federal Minister of Industry, Trade and Commerce and member of Parliament for the area, Mr. Lumley, either prior to or since his announcement of the \$2-million federal boondoggle for a future Summerstown airport.

Finally, I wonder how much money was spent on the multi-modal booklet with the slick insignia put out recently by your ministry. This one.

Turning to the question of the Board of Industrial Leadership and Development program and its relationship with this ministry, I want to mention, as my colleague the member for Wentworth North did last year, that I also am getting pretty tired of all the promotional advertising being displayed on our highways for the rather nebulous, glossy, slick BILD program. To give this recycled, election-style, mishmash handiwork of the backroom boys of the Big Blue Machine the high profile your ministry seems to be acquiescing in, I think—

Interjection.

**Mr. Samis:** Do you want to replay that?

**Mr. Kells:** There are about five clichés in one paragraph.

**Mr. Samis:** Not clichés; alliteration, Morley. Get it straight.

It is demeaning to your ministry. BILD was an

election ploy, pure and simple. Those big blue signs are only a perpetuation of that cynical, manipulative 1981 campaign, and I think you would be best served by getting rid of the ugly, unsightly beasts and stick to your regular ministerial signs and forms of advertising for your various projects around the province.

Do you have any say in the matter, or do the Eddie Goodmans and the Ed Stewarts of this world and the other people force you to play ball on a matter like this? It is demeaning for your ministry to be playing petty little games like the BILD advertising game.

Turning to the GO Transit system, it is unquestionably one of the province's showpieces and a good example of what public initiative can achieve in the commuter transit field. Outside of the major GO-ALRT announcement, it would seem that this was a year of consolidation. It was the second year of operation of the new lines to Stouffville, Barrie, and Milton. Previous problems associated with the Lakeshore line seem to have been alleviated. Naturally, we want to discuss the current status of the GO-ALRT program, both east and west, when the appropriate vote arises.

The shape or form of any new super transit authority for the Hamilton to Oshawa areas is, of course, the major one to be decided in the upcoming years. I trust that input from the affected municipalities will be given serious consideration. It is always a little ironic that such a proud free enterpriser as the current minister could be so aggressive in expanding the GO service and state holdings. But then again, the same minister supported investing in Suncor, Minaki and other nebulous adventures.

**Hon. Mr. Snow:** Did I? How do you know?

**Mr. Samis:** Oh, yes you did.

When the specific vote arises, naturally I would want to discuss the Oshawa and Hamilton expansion programs. The imminence of the domed stadium and the continuing development of the Lakeshore-Harbourfront area raise the question of the transit needs for that area. Although the minister will say we have to await the announcement of the location of the domed stadium, which will not be in Oakville, I would like to know what has been happening with the city authorities in regard to planning for the obvious eventuality.

Your \$100-million offer came to nought, but where do things stand in November 1983? Are things in a deep-freeze or has there been some kind of movement and, if so, in what area? I would like to affirm our party's strong commit-

ment to public transit and the need for adequate funding for municipal transit systems in the province, especially when we have so many people without work and without the means to afford private transportation.

We believe strongly that the province should provide adequate funding for transit systems which would seek to expand and extend their ridership through monthly passes, fare reductions during off-peak hours, special bus lanes to speed up services, transit passes as part of employee benefit packages, telebus arrangements and any other schemes which could be designed to make public transit more efficient and more adaptable to the changing needs of the public.

Most transit systems are strapped for funds and are usually faced with a strong reluctance at the local level to raise property taxes or to jeopardize existing ridership through substantial fare increases. As a result, strong provincial financial support is essential to the continuing success of public transit systems in Ontario, whether they be in Toronto, Trenton, Thunder Bay or elsewhere.

The sorry spectacle of public transit in many American cities should warn us of what can happen when the senior levels of government ignore local transit systems and continue to spend huge amounts of money on expensive expressways, at the expense of public transit within the cities. In Metro Toronto, the riders pay approximately 68 per cent of the operating costs, while in many municipalities fares are responsible for 50 to 65 per cent of operating costs.

Obviously and inevitably there are a good number of people at Toronto city hall who think the province could do a lot better in assisting their city. Some of them have spoken out very recently, I understand, saying that the province should increase its share of the cost to Metro Toronto well beyond the 16 per cent level to a figure in the 20s. I understand a proposal is being made to increase it by two per cent per year over the next five years.

The province pays 12 cents for every passenger who rides the Toronto Transit Commission system, 22 cents for every passenger in public transit in Mississauga and \$2.32 for every passenger using the GO system. This points out the vast difference in the levels of public subsidy and the need for greater funding for the TTC. Only then can it avoid the constant round of fare increases and can better serve the needs of the

elderly, the poor, the unemployed and the ordinary people in this area.

I notice the Sunday Star had an editorial entitled, "Our Too-high TTC Fares." It made some comparisons with other cities in Canada and south of the border saying that, for example, in Winnipeg, riders pay only 45 per cent of the cost of operating public transit. In Vancouver, it is 41 per cent. In Montreal, the users' share of public transportation is only 40 per cent of the operating costs, and in Boston it is only 28 per cent.

I would ask the minister to comment on the proportions used in Metro Toronto compared to other major cities in Canada. I realize the comparisons with the smaller cities are based on the fact that the formulas are very different. However, I do think the editorial and some of the people at the municipal level in Toronto have a valid point.

**9:30 p.m.**

Before leaving the topic of the Toronto Transit Commission, let me congratulate the minister for his initiative in bringing streetcars under the provision of the Highway Traffic Act. It was overdue and it should serve to alleviate any major incidents in future.

Turning to the minister's crown corporations, especially the Urban Transportation Development Corp., let me reiterate that our party fully supports the government's initiatives in the transportation field. We feel there is a real and positive role for the government to play in transportation. I am sure my colleague the member for Nickel Belt (Mr. Laughren) will endorse that and be surprised that a right-wing New Democrat like me would say such a thing.

**Hon. Mr. Snow:** You have right and left wings in that party?

**Mr. Samis:** Sure, we do—just like you guys and just like Eric is on the far right of the Liberals.

**Mr. Cunningham:** Mr. Chairman, on a matter of privilege: Do you know what an oxymoron is? It is an eight-sided socialist.

**Mr. Samis:** Go ahead, give me another one.

**Mr. Cunningham:** Words that are adjacent but have opposite meanings—like airline food, government service—

**Mr. Samis:** It is hard to follow people like Bourassa. In a given year he is a Democrat, a Social Democrat, a Liberal—

Anyway, we support the concept of UTDC and are pleased it has been successful in tendering

for contracts in Detroit, Santa Clara and Vancouver. We strongly support its other efforts in the United States, Singapore, Hong Kong, Shanghai and elsewhere.

We support the move to take over the Can-Car operation in Thunder Bay and integrate it into the overall UTDC corporate manufacturing structure. We support the idea of developing an Ontario-based technology and manufacturing capacity because it means jobs and growth opportunity and can answer the growing transportation needs of our larger cities.

I do not intend to get involved in the debate held over the previous years about the comparative merits of the different technologies because Vancouver, Scarborough and Detroit are, or are soon to be, realities. It is obvious the book is closed on advanced light rail transit as the technology involved in the upcoming GO expansion in Metro Toronto.

I realize that in the latter case there was some controversy as to the extent other firms or other technologies were given any opportunity to be considered, but, on balance, I support the basic decision that was made. I believe it recognized the political and economic realities of the situation.

Naturally, there are some concerns about the degree of tendering involved, especially in the component parts. I would ask the minister if he would address the question of the degree of tendering available. Any statement to that effect could assuage some of the concerns of the public and certain members as to how much tendering there really will be. Considering the size of the project and the fact we have adopted the technology, I think the tendering question is one that has to be addressed.

However, I believe the minister did use a rather heavy hand on the TTC when he virtually treated it as a captive of UTDC. I recognize the job factor behind the minister's position and I acknowledge the province's heavy financial involvement in purchasing capital equipment for transit authorities. However, I think it is obvious there is a price to be paid for doing it the minister's way.

By sidestepping the tendering process the minister is creating the impression that UTDC somehow needs some form of protection from potential competitors in its own province. It does strike at the heart of the whole tendering process, which was designed to protect the interests of taxpayers so they would get best value for their money.

There has been the experience in Scarbor-

ough and the aborted Hamilton intermediate capacity transit system experience, the delayed Toronto Harbourfront experience and now the TTC experience this spring. One gets the impression UTDC cannot succeed without giant government goodies or giveaways of some sort or some form of arm-twisting or another.

It would be nice to think it was succeeding because it had the best product for the best price and that various transit authorities were choosing it because of its clear superiority over the competition. But that is not what is happening. It serves to undermine the credibility of the company somewhat and stands out in stark contrast to UTDC victories in Detroit and Santa Clara where they won fair and square over competition from around the world.

I think Paul Godfrey has a legitimate point when he argues the TTC is not simply an agent of the Ontario government. By your rather heavy-handed actions you have transformed the TTC's role from giving the people of Toronto the best possible transportation at the best possible price to one where they are expected to support the UTDC and help it become successful in the transportation market in this province.

Surely the minister recognizes that he has changed the role of the TTC and compromised its independence by his rather arbitrary actions. I want jobs in Ontario every bit as much as he does, and I want to see the UTDC be successful on the world scene. But I would like to see it succeed because it has a better product, better marketing and can offer a better overall deal, not because the ministry was able to use its muscle to somehow get transit authorities to use their subway cars or their streetcars.

Surely foreign buyers would be more impressed if they were told the TTC was using the Urban Transport Development Corp. equipment because it chose it over all others, because the UTDC gave it the best deal and not because it was virtually forced to do so by the ministry.

Another consequence of the minister's actions must be that Ontario's position that we follow a buy-Canadian policy, rather than a narrow, protectionist, discriminatory policy like that enforced by the separatist government of Quebec, has been undermined.

How can we criticize Quebec's policies when this ministry is now doing virtually the same thing in the transportation field?

I certainly hope that the Minister of Industry and Trade (Mr. F. S. Miller) does not try to lecture Rodrigue Biron about the open-door

policies and giving Canadians a chance to compete openly.

What about the international consequences? I realize that the French and the Japanese played the game pretty aggressively and with few scruples, and I do not think we should live in a Pollyanna world, but I do make the point that you have changed the rules of the game in Ontario.

A United States industry spokesman was quoted on May 15 in the *Toronto Star* as saying: "It is paradoxical that Ontario is aggressively seeking marketing opportunities south of the border, yet the Ontario minister closes opportunities to other countries. If other countries perceive Ontario or Canada as a closed market they may retaliate in the same measure."

Let me say that I am pleased some sort of compromise was reached in the form or person of Ian Sinclair to represent the interests of the TTC. I would ask the minister to report to us on the discussions, negotiations and results they have had from their experiences with the crusty old, former Canadian Pacific Railway tycoon who loathes anybody on the left. He absolutely loathes them. He is a man not noted for his modesty or his timidity.

Before leaving UTDC, let me say that I hope we will have the opportunity to explore in detail its various prospects on the current international market. In addition, I would like the minister to explain in some detail how his ministry exercises effective control over its activities. We know the Legislature is virtually impotent and the estimates process is really meaningless in terms of exercising control.

I would ask the minister to explain how his ministry exercises effective control over the crown corporation, mindful of the experiences various Ministers of Energy have had with Ontario Hydro. We all know it was and is the real boss, relegating the minister to the role of a messenger boy and frequently embarrassing him by doing things first and telling him later.

Turning to the question of highways in the province, I think the people of Ontario have every right to be proud of the network of highways we have, and I think that overall the ministry has done a good job of building and maintaining the thousands of miles of roads we have. However, I would ask the minister if he would respond to the point made by the people of the Ontario Good Roads Association. They state that since 1975 there has been a 12 per cent reduction in real dollars for road system funding which, according to his own ministry's stan-

dards, has resulted in 28 per cent of all municipal roads and streets in Ontario being deemed inadequate.

I believe the member for Victoria-Haliburton (Mr. Eakins) also raised the question in the House and I do not think you really answered him. So I would ask the minister, since we have a lot more time, to answer it a little more directly.

In my part of the province, the status of the Queensway in Ottawa, of course, is a matter of considerable contention, especially among the residents of Ottawa, who have to use the Queensway on a regular basis. I understand that represents 100,000 drivers per day.

I am fully aware of the arguments on both sides, and I imagine we will explore them under the appropriate vote. However, I would hope the minister would realize how much of an impact the construction has on the city of Ottawa and its daily life.

I congratulate the ministry for its work on Highway 17 in the Ottawa Valley, especially in the Pembroke area. It took a long time, but finally it has been completed.

I would imagine that in the highways vote we will explore questions relating to the perennial concerns of my colleague the member for Nickel Belt in his drive down Highway 69, and what is being done about that.

I want to avoid making any comments about the James Snow Parkway, but I want the minister to know that on Thanksgiving Sunday, my wife, my son and I and two canines decided to go for a ride in the backwoods of northern Frontenac county, which I had not explored; I believe it is north of Highway 17.

There we were, driving along, admiring the foliage, new road, nice country; all of a sudden I came over this hill and what did I see but a great big sign which said, "Snow's Road ahead."

**Hon. Mr. Snow:** Snow Road.

**Mr. Samis:** "Snow Road ahead." And I thought, my God, it is bad enough to have a parkway named after you, but here I am, trying to escape from anything to do with politics in rural Frontenac county, and there I see it, Snow Road. It is not a bad little hamlet.

9:40 p.m.

**Hon. Mr. Snow:** Do you know the history of it?

**Mr. Samis:** No, I suspect there is an interesting history to it unrelated to you, but it almost ruined my afternoon, I want you to know.

Interjections.

**Mr. Samis:** I assume your response will give us information on the history of Snow Road.

**Mr. Cunningham:** He was invited to the opening of William G. Davis School but he got sick.

**Mr. Samis:** I do say that for the people of eastern Ontario it is a bit of a joke to be confronted with that name in the backwoods of Frontenac county. Since the member for Frontenac-Addington (Mr. McEwen) is virtually never here and the member for Kingston and the Islands (Mr. Norton) is ill at the present time, I have no way of checking on the origins of it so I would appreciate any information from the minister on that one.

Turning to the trucking industry, let me say I was pleased the minister was able to avoid any major trucking war with the United States as was feared when we discussed the estimates last year. Of course, there was heavy federal involvement in that. A price was paid, but I believe the establishment of an agreement was essential for the future of the trucking industry in Ontario. The future of the industry is closely related to both the general economic situation in Ontario and the long-awaited government revision of the Public Commercial Vehicles Act.

I would ask the minister what sort of timetable we can expect in 1984 in this regard, since I presume he and his staff have had time enough to evaluate the reactions to the final report of the PCV Act committee.

I want to reiterate our party's opposition to any policy of wholesale deregulation in Ontario because we do not believe it would work in the best interest of the industry. We are generally supportive of the thrust of the PCV Act committee report last spring and we believe that the general thrust offers the various segments of the industry a positive alternative to the sterility and complexity of the status quo and the threats posed by wholesale or sweeping deregulation.

Once again, I am disappointed that we still do not have dangerous goods legislation in effect in Ontario and I again would ask the minister to report on his efforts to get Ottawa to move their butts, on where things currently stand, and on when we can reasonably expect to see the legislation take effect. We have discussed this topic in previous estimates, but it seems the story is always the same, namely, "We are waiting for Ottawa."

I am tempted to urge the minister to apply the legislation already in place as Dr. Ufflen did recently, but I realize the problems involved. When are we going to get some action out of

Ottawa? Do we have to wait for some tragedy involving loss of life before they will move?

Turning to the report of the Uffen commission on truck safety, I appreciated the minister tabling a summary of his ministry's reactions to the individual recommendations and I hope we will have the opportunity to discuss some of those reactions in the appropriate vote. I am pleased the minister has taken action or is contemplating action on over half of his recommendations, but there are some where the government either disagreed or deferred any action and those I would like to discuss.

I am disappointed the government is not moving towards semi-annual inspection of heavy-duty trucks as recommended by both Uffen and the Ontario Trucking Association, although the formal wording of the government's reaction was somewhat equivocal when you consider the qualifications that were injected into the answer. However, we will discuss that one later.

On the communications side, I would like to get some idea from the minister whether his ministry has taken any position yet or intends to take a position on the proposal by CNCP Telecommunications to take over the long distance operations of Bell Canada.

Dealing with the annual report on motor vehicle accidents in Ontario, I welcome the 21.2 per cent decrease in road fatalities, the 5.2 per cent decrease in reportable motor vehicle accidents and the eight per cent decrease in injuries. While the trend is certainly not confined to Ontario and while the recession undoubtedly has been a factor in the decline, I nevertheless welcome the improvement and I trust it will continue.

The one trouble spot already mentioned by my colleague, the member for Wentworth North, recognized by everybody and one that we have discussed before, is the motorcycle scene. Once again we have seen an increase in fatal accidents involving motorcyclists, except that for 1982 the increase in motorcycle passengers killed was an alarming 69.2 per cent. In the past three years there has been a 122 per cent increase in the fatality rate of motorcycle passengers and that is truly alarming.

I appreciated the minister's background information on those motorcycle statistics. I found it especially revealing that almost one third of the fatal accidents involved unlicensed motorcycle drivers, that 14 to 18 per cent of the passengers killed were not even wearing helmets and that 4.2 per cent of the drivers who were killed were impaired.

The problem remains again, what are we doing to arrest this disturbing trend which seems to be becoming an unfortunate feature now of every annual report? The minister has had meetings with people from the industry, with the cyclists themselves, and with safety officials, and I am sure his concern is genuine. But what is being done about it, beyond the current amendments to the Highway Traffic Act that were tabled in the House? What is being done to make driving tests more comprehensive and more meaningful?

I understand the Canada Safety Council's chief instructor submitted an eight-point program to toughen up and tighten up the motorcycle licensing system. What is being done to deal with the problem of unlicensed motorcycle drivers? Is any consideration being given to making safety courses mandatory prior to licensing?

What about the idea that has been discussed frequently of limiting the size of a beginner's motorcycle—for example, to under 300 cc? This could avoid the situation where someone gets a licence on a 200 cc machine and then goes out and buys an 1100 cc machine.

I would also like to know what the ministry is doing with the industry to get it more involved in driver training in Ontario. It is my understanding it contributes something like \$250 per unit sold towards driver training in the USA but only 56 cents per unit here in Canada. Why is there a discrepancy? Why is it so great? Is the current system of learners' permits working in the best interest of the public and general safety?

These are some of the issues I would ask the minister to address, dealing with the question of motorcycle accidents, fatalities and licensing.

Following on the motorcycle statistics, I would like to raise the almost perennial question about driver schools and driver testing in the province. I think there is a general unease about the status of both the schools and the test. I understand the minister met with representatives of the driver schools in June to discuss their concerns and their proposal for a joint industry-government committee to explore the problems in greater depth.

What became of the meeting and their proposals? There have been several articles in various newspapers about the test site in Brampton. I had the opportunity, as did the member for Wentworth North, to visit there and go out with an examiner and experience the test at first hand. While the examiner was a very competent and understanding person, it did not

strike me as a particularly demanding test. The two people who failed were so obviously unprepared for driving it would be have been criminal to allow them on the highways, much less in city traffic.

I realize the failure rate is between 35 and 40 per cent, but I have real reservations about the test being so totally insulated from the pressures of actual driving conditions—especially on expressways.

On the question of who should be driving, I again want to register my annual concern about the minimum age for driving. In 1982 the accident statistics once again showed that drivers aged 16, 17 and 18 led the way in the number of accidents. It has been the same virtually every year for the past few years. I understand the last time there was a change in the basic age of driving was in 1917. I notice the Premier's interministry task force on drinking and driving did address the issue but said they were giving it further study. I think it is one that deserves study.

Turning to the question of bus safety, I want to ask the minister if he and his staff have reviewed the policy of compelling operators of school buses not to use their signals when transporting children to camps and special events in the summer? I received several letters on the matter and they all raise the point that they consider the present policy to be dangerous to young children, especially on school holidays and in summer time.

I can understand the rationale for such a policy, but I would like to know what review there has been. I also would like to know what consideration has been given to making the policy less absolute and more flexible to accommodate a greater variety of situations. If a review was conducted, what conclusions were reached on the matter, and for what reasons?

I would also ask the minister to give us an update on the status of the plate-to-owner processing problems, their causes and their solutions. I understand the worst of the backlog has been overcome but I would appreciate a report from the minister on exactly what went wrong in the first place. What is being done to ensure that we do not have the same situation developing in 1984?

Before concluding my remarks, Mr. Chairman, I want to raise the question of drinking and driving in the province, especially in the light of the Premier's interministry task force on the subject. I think the report was completely accurate when it said there is a new attitude

developing out there on the question of drinking and driving. I think their analogy with the changed public attitudes on smoking and physical fitness is based on a changing reality that we as legislators must respond to.

The question of attitudes is crucial to improving our record on impaired driving. I think they are right on the mark when they stress that any enforcement policy or device must be the product of a change in attitude on the part of both the public and the police.

The basic conclusion is that the two main obstacles to fully assessing the problem—namely, the lack of a central data bank for Canadian statistics, and the large numbers of people in groups working in relative isolation—are matters that should concern this ministry and challenge it to take new initiatives.

9:50 p.m.

The similar ideas on licence suspensions, the perennial question of photos on licences, the use of fines, advertising and community involvement I found stimulating and I hope to be able to discuss them under the appropriate vote.

I think the report is a good one and I hope it would meet with a positive reaction from this ministry as well as the ministries of the Attorney General and the Solicitor General. I would be interested in knowing the minister's general reaction to the report without getting into the specifics. We will discuss that under the appropriate vote.

Mr. Chairman, with those remarks, I conclude my opening statement.

**Hon. Mr. Snow:** Mr. Samis told me the other day he had very little to say tonight. He must have been burning the midnight oil to come up with such a statement.

**Mr. Samis:** I should explain the real reason. Last night, the member for Sudbury East (Mr. Martel) and the member for Nickel Belt (Mr. Laughren) demanded that I provide them with some company and they insisted on forcing hospitality upon me, which produced a very stimulating effect on my efforts to draft the statement.

**Hon. Mr. Snow:** All I am saying is that appreciate your remarks very much.

**Mr. Samis:** I should emphasize there was a six per cent reduction, as I look at my watch compared to last year in the time involved. Mr. Cunningham would agree it was six per cent, not five.

**Hon. Mr. Snow:** I will try to reply to the

comments made by my honourable critics. First of all, I would like to thank them very much for their constructive comments and suggestions and their concern with regard to the ministry's programs.

To start off by replying to Mr. Cunningham, he asked for the San José contract into which the Urban Transportation Development Corp. has just entered. I do not believe there is any problem there. Naturally, I do not have it with me, but I would ask the staff to make a note to ask Mr. Foley if he can bring a copy of it with him on Thursday evening.

I have some concern about tabling or publicizing commercial contracts such as that because we do not want to give our competition in the industry all the details regarding any particular contract. Whether there are any confidential parts to it that might have to be omitted, I do not know. I do not know of any but there is always that danger.

Mr. Cunningham also asked about any new polls that have been taken since December 1982. I am not particularly aware of any. From time to time, we do take polls on various issues and we have always tabled them for you when we have had them. If there are any new ones, we will have that material for you, certainly before our consideration of the estimates is completed.

I was interested in Mr. Cunningham's comments with regard to restraint. Certainly, this ministry is operating under very severe restraint and it seems to have been getting worse every year in the eight years I have been the minister.

We have certainly been reducing staff very considerably within the ministry. When I became minister eight years and one month ago, I believe the staff of the ministry was something in the neighbourhood of 12,500 employees. I am told it was 13,500 people when the old departments of Transport and Highways were put together in 1971. Because of economies of scale in the two ministries being amalgamated, that 13,500 figure was brought down to about 12,500 people when I took over. By the end of this year, it will be approximately 9,000 employees. That is a rather substantial reduction in the number of employees in the ministry. In fact, by December 31 of this year, we will have 270 retirements.

**Mr. Cunningham:** Do they know that?

**Mr. Samis:** That means you put 3,500 people in the job market?

**Hon. Mr. Snow:** That is right. None of them has been laid off, though. It has all been done by attrition, by retirement or people leaving the

ministry. Of the 270 staff, I believe there are 113 management people and the balance are bargaining unit people who have opted for the early retirement plan that has been initiated by the government. They will be leaving by the end of December.

We are losing some very senior and competent people through that plan. Our regional director in Kingston, Mr. Wigle, is retiring. Our district engineer in Hamilton, Cam Robertson, is retiring.

**Mr. Cunningham:** Not before tomorrow at 4:45, I hope.

**Hon. Mr. Snow:** No, Cam will be leaving us on December 31.

**Mr. Samis:** Is Mr. Wigle taking early retirement?

**Hon. Mr. Snow:** Walter Wigle is retiring on December 31. Mr. French, the district engineer in London; Cam Brown, the municipal engineer in London. Many of the people we know very well and whom I deal with on a day-to-day basis.

**Mr. Cunningham:** You left out Bud Aaron. He was a very capable guy in the property department.

**Hon. Mr. Snow:** Bud has retired, I think. He has gone now.

**Mr. Cunningham:** I think he is with A. E. LePage at 534-9720, if anyone wants to list their house with him in Brampton.

**Hon. Mr. Snow:** What he does once he retires is his business, I am afraid, Mr. Cunningham.

**Mr. Cunningham:** They call that double dipping.

**Hon. Mr. Snow:** No, I do not believe that is double dipping at all. When a man retires from the ministry, if he has some other ambition he wishes to—

**Mr. Samis:** Where is Alastair Gillespie?

**Hon. Mr. Snow:** I know when I retire from this job, I want to have some freedom to do whatever else I figure I might want to do.

**Mr. Cunningham:** I should say though, if you will permit me to say it for the record, Mr. Chairman, in my dealings with Mr. Aaron on property management in my own district I found him to be one of the most ethical people I have ever met in the civil service, really. He always bent over backwards to work with local members and to accommodate people, sometimes—occasionally—with expropriations. I always found him incredibly fair and straightforward.

I gather he has retired early, which is unfor-

tunate for the ministry, but maybe he is having fun. I do not know.

**Hon. Mr. Snow:** Regarding the retirement, a great many of our senior staff, and the bargaining unit people as well, joined this ministry in the late 1940s and early 1950s when the ministry was building up staff after the Second World War to carry on the aggressive highway program we had. Many of those people had war-time service.

Many of those people, in their late 50s or early 60s, had their 90 points. Some of them have had them for a number of years. Some prefer not to retire and remain with the ministry. That is fine. Many of them have other ambitions or other challenges that they want to pursue and have decided to take their retirement.

I think our ministry and perhaps Natural Resources have a higher number of retirements at this time, under this plan, because of the fact that many of the employees in those two ministries did start with the government at about that period.

With regard to the price increases that Mr. Cunningham was mentioning, and maintaining the restraint formula pertaining to ministry price increases, I am not aware of any, other than the GO fares, that were higher than five per cent. GO fares were, and the price guidelines on those fares do provide for the pass-through of increased, uncontrollable costs such as fuel costs and other things, and those did bring up the 9.8 per cent or 10 per cent increase we had in those fares. We take into consideration the operating costs, the increase in costs from the railways and costs of all maintenance materials—parts, tires, everything that we have to buy for the system.

The increase in GO fares is approximately the same percentage, I believe, as the increases that were approved for the intercity bus fares, based on the same formula, allowing the five per cent increase in the wage component but allowing the pass-through of increases that were uncontrollable.

You mentioned licences. I am not sure of any increase we have had in licences.

10 p.m.

**Mr. Cunningham:** Any new program causes an increase for some people.

**Hon. Mr. Snow:** The change in the vehicle program did not produce any general revenue increase for the government. The \$48 fee for all motor vehicles brings in the same number of dollars. Of course, those fees are budgetary fees

that are set by the Treasurer. They are not set by us, in any case.

**Mr. Cunningham:** But it did result in an increase for some people.

**Hon. Mr. Snow:** It resulted in an increase for the four-cylinder car people and a decrease for the eight-cylinder car people, and so on. The general revenue return is basically—

**Mr. Cunningham:** In our family it is net-net.

**Mr. Samis:** We will not talk about the northerners in this, will we?

**Hon. Mr. Snow:** Of course, I have nothing to do with controlling the price of gasoline.

Mr. Cunningham felt there was a deterioration in our highway system. I do not see that myself. Even with our restrained budgets we have given top priority to maintaining the existing excellent system we have. In other words, we give a higher priority to resurfacing and rejuvenating an existing highway than we do to new expansion projects. We do not want the same thing happening here as has happened in many states in the US, where the system has deteriorated badly because of a lack of maintenance dollars.

Therefore, while in some ways it is much nicer to be building new highways, we have not looked at it that way. We have given a higher priority to capital maintenance projects rather than new capacity, though we do need both. I think our system has been maintained; I agree we have many major projects waiting to be done across the province, many I would like to be getting ahead with much faster, but I can only do the best I can with the dollars made available to me.

You mentioned roadside rest spots. Over the past year we have had a quite a study going on in northern Ontario, and I will deal with that first.

We worked up there with Natural Resources, with Tourism and Recreation and with Northern Affairs in reviewing all the various types of roadside park spots, picnic areas and so on. We have come up with a master plan and recommendations for the north that would do away with some of those areas and create new ones. Generally, the policy tries to provide a rest area or a pull-off area at certain maximum distances where there is long distance between communities. That plan has been to the cabinet committee on resources; it has to go to Management Board; it has not been approved yet by cabinet.

**Mr. Cunningham:** How about southern Ontario?

**Mr. Samis:** Yes, I was going to ask you about the south.

**Hon. Mr. Snow:** As soon as we get a policy established for the north, which we have been dealing with, then we will—

**Mr. Samis:** You mean the north is first in a case like this? What about the paranoia of people like my colleague here?

**Mr. Laughren:** Yes, what about my paranoia? Interjection.

**Mr. Laughren:** That is not what my analyst tells me.

**Hon. Mr. Snow:** We always deal with the north in a very high-priority way.

So that is under way. We recognize there are different types of centres, some maintained by the Ministry of Tourism and Recreation, some by ourselves, some by Natural Resources. We are trying to come up with an overall policy on just how to deal with this problem.

Mr. Cunningham referred to the strategic management guidelines. He then proceeded to suggestions for high technology systems for updating the signal systems, streamlining traffic, etc.

We have major programs on at the present time. We have the traffic management system on the Queen Elizabeth Way, with the television monitoring and the sensors in the road. Basically, every time you drive along the QEW, we have you on the screen to see whether or not you are driving properly.

That was expanded a couple of years ago. It was just a short section through Mississauga to start with but it has now been expanded further east and west. There is a new system on Highway 401 across the north end of Metropolitan Toronto which is in the design stages right now and will be implemented. There is a system for the new Burlington Skyway section that will be installed as part of the construction of the Burlington Skyway and all the work we are doing adjacent to the interchange with Highway 20.

Most of these sections will include these new electronic message signs by which we can give a message to the motorist if there is some particular problem ahead.

**Mr. Cunningham:** If the chairman will permit, so there is no misunderstanding: there is a lot of time spent at the corner of, say, Avenue Road or Bay Street and Bloor Street making a left-hand turn. I just think, in Metropolitan Toronto alone, we would save millions and millions of gallons of gasoline—

**Hon. Mr. Snow:** Metropolitan Toronto has a very sophisticated computerized traffic control system. When its computer goes down, traffic degenerates greatly in this city. We are working with, I believe, Kitchener-Waterloo, Brantford and Guelph.

There are three smaller communities with which we are working to install overall computerized traffic control systems. Then, in many communities—I know, for instance, in my own town of Oakville, they have put in a synchronizing system of some kind. It is a mini-system on all the traffic lights on Trafalgar Road which has greatly assisted. You can drive through there now without stopping nearly as many times as you used to have to.

We are involved very much with the municipalities in this new technology. It is a municipal program. We are involved with helping them design it, fund it and get it operating.

**Mr. Cunningham:** You should sweeten it just a bit.

**Mr. Chairman:** I would rather that we hold the questioning—

**Hon. Mr. Snow:** I will never get through these responses if we keep discussing every item. I do not care; I enjoy doing it.

I agree with the member. It is fuel-saving and everything else if we can improve the capacity. The thought behind the system on Highway 401 across the north end of Metropolitan Toronto on which we are spending several million dollars is that we get 300,000 cars a day going through sections of that artery right now. There is just no more capacity available; you cannot add lanes to it any more. However, by putting in this traffic control system—the television monitoring—we can make a start on getting fender-benders out of the way in a hurry, and clearing problems such as the guy who ran out of gas in the middle lane the other day when I was coming along there.

I was in the control centre out in Mississauga one day watching the system work. One fellow's car ran out of gas on a ramp on one of the interchanges. The operator picked him up as he was getting out of his car, starting to walk. The operator picked up the radio and immediately dispatched a police car—or whatever—to that situation. The fellow was not 50 feet away from his car before there was help on the way to get him out of his trouble. That sure speeds up traffic.

**Mr. Samis:** May I just ask a point of information?

You are talking about equipment in Mississauga. What do you have east of Toronto and north of Highway 401?

**Hon. Mr. Snow:** Well, this system is going in on the Queensway in Ottawa, too.

**Mr. Samis:** Going in on the Queensway. How far east on the 401?

**Hon. Mr. Snow:** On Highway 401, it goes from—well, you know, you only put it in where it is needed.

The present plan is to go from about Markham Road—or wherever it is out there—to about Highway 427.

**Mr. Samis:** Across the north end of Toronto.

**Hon. Mr. Snow:** It is a major chunk of work to do that section. Future plans will probably have it on Highway 427 and we will probably extend it further east and west on Highway 401 as it is needed.

**Mr. Chairman:** If the committee members would please hold their questioning until after, we just might get through the minister's response to the critics.

10:10 p.m.

**Hon. Mr. Snow:** I doubt if I will tonight.

Commuter parking lots: This is a program which started just a few years ago and has been very successful. I noticed one of the lots was completely filled today, on one of the highways at the eastern end of Toronto—I forget which one it was. As we were flying in from Lindsay at noon I looked down and one of our commuter parking lots at an intersection was thoroughly filled. I do not think there was a vacant space. I know the one at Highway 401 and Trafalgar Road had to be doubled in size three months after it was put in.

I cannot give you an exact figure at this moment but I would be surprised if we do not have 30 or 40 of them now—maybe more. We have been adding half a dozen, eight, 10 a year where we have found spots that are needed. With new highway construction—for instance with Highway 403 and the new Highway 115 up to Peterborough and places like that—we put commuter parking lots right into the design; they are put in as part of the highway when the highway is built.

On van pooling: We, along with the Ministry of Energy, initiated a major program to encourage this—again where public transit did not fill the need. Van pools have been very successful.

A member mentioned our highway safety program, and both critics mentioned the reduc-

tion in deaths and injuries. We are very pleased with the results last year. The reduction is far beyond our expectations. When we had our highway safety conference two or three years ago we set a goal of reducing our number of deaths and injuries by five per cent a year. Last year they were down 20 per cent. I am afraid we cannot keep up that kind of record, but I hope we can.

I spend a far larger part of my time dealing with programs relating to safety, drivers and vehicles than I do with the other sections of the ministry. I think it is very important. We are very happy with the results. I cannot give any specific reasons for them; I think many things we are doing are saving lives.

An important factor is our median barrier program. We are installing barriers on Highway 11 now and on Highways 115 and 35—we cannot do it all at once. There were an unusual number of deaths on Highway 11 in the Gravenhurst area this year and we have one contract under way up there right now. Another is out for tender and there is one more to go. I hope we will be able to do that one next year.

You hear of those accidents every weekend. I cannot say we would have saved every one of those lives but certainly we would have saved some of them if median barriers had been there. But we cannot do it all at once. We started at Barrie and are perhaps three quarters of the way up that section now. We have started on Highway 115/35 and are working from Peterborough down and from Newcastle up. We will continue that program. And we are putting in other safety features—paved shoulders, improved intersections, left-turn lanes, right-turn lanes and so on.

You mentioned the propane-powered vehicle inspection program. We and the Ministry of Consumer and Commercial Relations have identified a problem there. Although it is a small one, there have been a few instances where fire and what not have occurred because of leaks. We felt the two ministries should work together to develop this program calling for the inspection.

You also suggested annual vehicle inspections for all vehicles. I am not convinced at this time that we should bring in that requirement. A number of states in the US that have had that requirement have done away with it, figuring the resources could better be used for other purposes. We may expand the vehicle inspection program to more commercial vehicles.

I am not convinced we should put every motorist through the cost of a certification every year. The average motor vehicle chang-

hands about every three years and gets a certificate when it is transferred from one owner to another. Some people drive a car for 10 years, but my experience is that the person who drives that car 10 years is usually very competent in maintaining it. If he is going to drive it for that period of time and looks after his own maintenance, you are not going to catch too many unsafe vehicles on that basis.

The licensing process, the driver testing, the John Rhodes Driver Examination Centre, both of you mentioned those. I think we can discuss them in more detail when we get to them. Generally, we are quite satisfied with the performance of the John Rhodes centre. We get conflicting opinions from people who work in that area; some people think it is just a great way of doing the testing while others think it is better to test on the road. I guess we will never really satisfy both sides of that argument. But I know the staff can give you a lot more details on that process and how it is working out. It is my understanding in all the discussions I have had that it is working quite satisfactorily.

We have long-range plans, maybe not so long-range, to build another similar centre in the east end of Metropolitan Toronto although it is not being planned immediately, at least not before we have had a little more time to assess the John Rhodes centre to see if any improvements could be made upon it.

You mentioned support for other safety measures, such as the Council on Road Trauma. We did support that organization to the tune of \$15,000 and have worked with it. We are proposing to enter into contracts with it to carry out specific research projects where we would pay it on a fee-for-service basis rather than just give it an outside grant, which we think is a good way of doing it. We support other organizations, such as the safety councils and so on, with grants each year.

I think you made part of my point yourselves when you talked about speed limits, that they must be realistic. There is no use setting unrealistic speed limits on a particular section of highway because you find they are not adhered to in any case.

Your comments with regard to people standing on school buses is again a matter with which is very difficult to deal. We have discussed this many times with boards of education, with the Ministry of Education, with the school bus operators' association.

I agree that standing should be kept to a minimum. I am not satisfied at this moment that

we should completely outlaw it because I think it would add quite an additional burden to boards of education and the Ministry of Education. Sometimes, at the end of the run when they are getting close to the school, they can pick up a few students. Goodness gracious, if we outlawed standing on Toronto Transit Commission vehicles, I do not know what you would do in Metropolitan Toronto, because you get more people standing on the buses than you have seats.

**Mr. Cunningham:** That is not quite a fair analogy.

**Hon. Mr. Snow:** No it is not, but one could lead to the other.

The whole issue of motorcycle safety and testing was mentioned by both of you. I am as conscious of that situation as anyone. We have had meetings and discussions. We are trying to come up with ways and means of improving it all.

Mr. Samis asked about how the learner's permit for motorcycles is working. All I can say is it is working a hell of a lot better than when we did not have one. Not too many years ago, when I first became minister, there was no way you could legally learn to ride a motorcycle unless you rode it around your own parking lot or went over and used some shopping centre lot. So we brought in the learner's permit for motorcycles and restricted their use to daytime and not on expressways, all that sort of thing. I think it has been a good thing.

One thing mentioned was the size of the vehicle. One thing I want to look at very carefully may be some type of probationary licence for motorcycle drivers, as we have for automobile drivers, that would limit them to a certain size machine. As you may know, I occasionally drive a motorcycle but not as much as I would like to. My son and I have a Honda 550 between us, a nice medium-sized bike that is not too bad to handle.

**10:20 p.m.**

My newly acquired son-in-law—

**Mr. Cunningham:** We are going to get an update on the grandchildren.

**Hon. Mr. Snow:** He has not produced yet.

Interjections.

**Hon. Mr. Snow:** I hope not, they were only married in July.

Anyway, my newly acquired son-in-law, who is an expert motorcyclist, came up to our place the other day. He had his new 1100 cc Honda

Gold Wing and said, "Here, take it for a drive." My God, I scared myself to death. It has so much power and acceleration, built-in stereo and equipment that you would ever dream of on a motorcycle, a beautiful machine. I have to tell you it was an awful difference to me getting off the 550 and getting on this 1100. I am sure anyone else would find the same result.

Again, it is not an easy solution. Some of the things you have quoted are exactly right. A high percentage of the motorcyclists are not properly licensed. I am not saying they do not have a licence, period. They probably have an automobile licence but they do not have the motorcycle endorsement. Many of them probably feel that it is quite legal for them to ride down the road. They have a driver's licence; why should they require something special for a motorcycle?

That is a case of enforcement. There is no way we have of controlling that. It is only a case of law enforcement officers stopping them to check from time to time to see whether they have the proper endorsement.

The thing that surprised me the most was the 14 per cent who were not wearing helmets. In my travels, I never, or very seldom, see a motorcyclist on the road who does not wear a helmet. In fact, I cannot remember seeing one for years. It is so obvious if they are not wearing a helmet when you see them on the road, so how do 14 per cent of these guys who get killed not have helmets on? I do not know how, but that is what the statistics show.

**Mr. Samis:** Is that figure up dramatically?

**Hon. Mr. Snow:** I cannot tell you whether it is up or down, or whether we had previous statistics. But the study came up with that statistic, and that is one I have trouble comprehending because I do not see people on the road without a helmet.

Mr. Cunningham mentioned something about the Burlington Skyway. I am not sure what he was talking about.

**Mr. Samis:** The Chinese food place.

**Hon. Mr. Snow:** You were all in the Chinese food place, the Tien Kue. It was a sad day when the Tien Kue got torn down, but that is part of progress.

**Mr. Cunningham:** Just after that Walker said we were not a tourist area. I want you to know that.

**Hon. Mr. Snow:** You also mentioned the pictures on the driver's licences. Again, no one will be happier than I will when we get approval

to go ahead with that project. We have the legislation.

Each year we put that in as a new initiative, as part of our safety regulation budget; with the constraints we have not been able to get the money. I hope we will now that it is included in a recommendation of the drinking and driving task force. We are going to put it forward again this year. There are going to be some costs involved.

Where we will get the additional money? Many people have said we should increase the driver's licence another buck a year to cover the cost of implementing it. That is fine if we could get the Treasurer (Mr. Grossman) to pass that money through into my budget. But that all goes into the consolidated revenue fund so it does not help me at all unless it is budgeted back to me

**Mr. Cunningham:** We all know what Larry is like.

**Hon. Mr. Snow:** I am hopeful again. I assure you I will be putting that forward as a high priority for our budget allocation process for 1984-85.

The regional municipality of Hamilton-Wentworth has had an ongoing problem with Canada Coach Lines Ltd. As far as we are concerned, it is a private enterprise coach line even though it happens to be owned by the Hamilton Street Railway. It is subsidized by the ministry for those routes within the urban transit area where it is carrying urban transit passengers.

I have turned down any requests for us to subsidize the intercity routes because I do not believe we should be in the business of subsidizing the motor coach industry. If you start with Canada Coach Lines then why should we not be subsidizing many other coach lines that have unprofitable routes? It would be the same getting his head in the tent, I am afraid, if we ever started into that kind of a subsidy program. We just do not have the funding to do it.

You both asked for an update on the government of Ontario advanced light rail transit program. It was just a year ago on October 7 that I announced the program. The progress we have made in that program in that one-year period has just been astounding.

For the GO-ALRT line east, the Oshawa-Pickering route, all the planning studies have been completed. They have all been approved by the municipalities. All the meetings have been held, the sessions with the public, and even the proposal for the difficult section through the

built-up Oshawa area has been totally endorsed by the region and the city of Oshawa.

Most of the Oshawa-Pickering section has been released for detailed design, and the consultants are working on the detailed design of the structures and the lines, the trackage and all the different things at this time. Everything is on or ahead of schedule.

The co-operation from the municipalities and their senior staff and the public has been more than one could ask for on such a major undertaking. Certainly we should be in a position to start calling tenders for construction projects in the spring of 1984.

The Oakville-Hamilton route is not quite as far advanced although some of it is. The planning through Oakville has all been completed and approved by the region and the town. The part through Burlington is pretty well completed. The presentations have been made to the city of Burlington and the region of Halton.

I am not aware of any problems. Unless it has happened in the last few days, I do not think we have the final resolution approving it. We may even have that by now, but in my discussions recently with Burlington officials, the mayor and others, there did not seem to be any problems. They were just looking at it and would be giving us their approval.

The only issue that came up in that whole Oakville-Burlington route was one station location in the Guelph Line area, where one of the proposed station sites was not well received by the public. They have now solved that problem by selecting another site; it was only one of the options. There were six station sites and one was not acceptable. The station sites now in the plan are certainly acceptable and that problem has been solved.

Concerning the route going into Hamilton, you have seen the map, as I have. It has been published in the paper. We are not quite finished with the studies on the four or five different alternative routes. Naturally, the object is to get downtown Hamilton on a route that is not a dead-end route, that has the opportunity to extend further east and out to Stoney Creek and that area as time goes on.

One of my high priorities is to select a route that does not box us into some place from which we cannot extend the system. We are working very closely on that. We will be in a position within the next month or so to recommend a solution to Hamilton. When that goes to the

Hamilton council the regional council information meetings will be set up to get public input.

That is not as easy a solution. It has always been a more difficult problem to find those routes into Hamilton.

The member wanted information on the Canadian National contract. I am sure we can get that. It is a contract that has been in force a number of years now.

The member mentioned the Highway 6 matter—Freelton to Highway 401. We had that all settled once. There was an intermunicipal committee set up with the county of Wellington, the city of Guelph and the township of Puslinch and we had a solution that was all agreed upon. Then a new council came in and when we went forward with the plans it did not approve them. We were back to square one.

We have now reinstituted that study committee with all the municipalities trying to see what other options there are. We are working again on that, but we do not have a solution. Naturally we are anxious to complete Highway 6 to Highway 401.

I think members know my opinion on the Interprovincial Pipe Line Ltd. issue. I do not think the denial of an entrance permit to a property is the way to control land use. Our ministry's position is that if we get an application from Interprovincial Pipe Line or any other person entitled to make an application, we would set requirements on that entrance to make it safe. If traffic signals or turning lanes are required, that would all be at the cost of the applicant.

It is the same for a shopping centre, a major industry or whatever it may be. If they pay the price for whatever construction has to take place and meet all our requirements we do not think we should be denying them an application to control the use of the land. There are other bodies, such as zoning, the National Energy Board, and others—

**Mr. Cunningham:** Zoning does not apply.

**Hon. Mr. Snow:** —where these things can be dealt with. I do not feel we should be denying an application such as that.

That completes my comments, as far as Mr. Cunningham is concerned. If I may, tomorrow morning I will continue on Mr. Samis's questions, some of which I have covered.

The committee adjourned at 10:34 p.m.

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Kells, M. C. (Humber PC)  
Miller, G. I. (Haldimand-Norfolk L)  
Riddell, J. K. (Huron-Middlesex L)  
Samis, G. R. (Cornwall NDP)  
Snow, Hon. J. W., Minister of Transportation and Communications (Oakville PC)



# **Hansard**

# **Official Report of Debates**

## Legislative Assembly of Ontario

**Standing Committee on Resources Development**  
Estimates, Ministry of Transportation and Communications

**Third Session, 32nd Parliament**  
Wednesday, November 2, 1983

Speaker: Honourable John M. Turner  
Clerk: Roderick Lewis, QC

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# LEGISLATIVE ASSEMBLY OF ONTARIO

## STANDING COMMITTEE ON RESOURCES DEVELOPMENT

Wednesday, November 2, 1983

The committee met at 10:11 a.m. in room 228.

### ESTIMATES, MINISTRY OF TRANSPORTATION AND COMMUNICATIONS

(continued)

**Mr. Chairman:** When we finished last night, I think Mr. Snow was just ready to address Mr. Samis's concerns and solve all of his problems.

**Hon. Mr. Snow:** Yes. We ran overtime a little bit. By the way, at what time does this meeting finish today? At 12 noon or 12:30 p.m.?

**Mr. Chairman:** At 12:30.

**Hon. Mr. Snow:** I just wondered if we could finish at 12 today.

**Mr. Chairman:** I guess we could if it is by agreement of the committee.

**Hon. Mr. Snow:** It is just that cabinet is on and we would like to get to cabinet at 12. We have 12 hours for estimates altogether. At two and a half hours per night session, two and a half last night, the same on Thursday and then two more on Tuesday would make 10. Two hours today would make it 12, which would let me get to cabinet a little earlier.

**Mr. Samis:** That's fine with me.

**Hon. Mr. Snow:** If I may carry on in my response to Mr. Samis's observations, I have fifteen pages of them here.

First, I want to thank him for all the complimentary remarks he started out with. It is a pleasure to hear we are doing something right once in a while. He then went into a discussion of the overall budget and said he felt that the budget was not large enough. I have to agree with him on that. This is one of our major problems. With the limited resources the ministry has been allocated over the years, he observed we have not been keeping up with inflation. I have to say that is exactly the same observation we have made.

I saw one document recently during our budget discussions that indicated we were running about 24 per cent behind our actual true spending level of about five or six years ago because of the effects of inflation, although our budget has gone up. In 1975, when I became

minister, I believe the budget that year was \$980 million. Now it is approximately \$1.5 billion.

Looking at it in dollars, we have had an increase each and every year. On the other hand, the increase was very little last year, and with the increase in costs of construction—I could go into some detail and show you our charts indicating how the cost is going up. I guess I did not bring that chart with me. I always have it in my other folder.

In 1973, taking a basic \$100 as a construction cost, today it is something like \$267. In other words, today it costs \$2.67 to do the same amount of construction that it cost \$1 to do 10 years ago. Of course, there was some very steep inflation. In that period were years when oil prices and asphalt prices were going up at a very high rate. If you want to compare that, there is the problem the Treasurer—both present and past—has in setting the priorities and doling out the funds he has available.

In 1975, when I became minister, the budget for the Ministry of Community and Social Services was \$960 million, or \$20 million less than that of the Ministry of Transportation and Communications. This year, if I remember correctly, the budget for Community and Social Services is something like \$2.25 billion. They have gone from \$960 million to \$2.25 billion in the same period of time that we have gone from \$980 million to \$1.5 billion.

**Mr. Samis:** Is the prospect of an election a favourable omen for your budget?

**Hon. Mr. Snow:** It has not been. I have been through two or three elections and it has not made any significant change in our budget.

**Mr. Cunningham:** The most important things are, roads and more roads.

**Hon. Mr. Snow:** Roads are still a very important item, especially once you get outside of downtown Toronto. Certainly, the rural areas, the counties, the regions and even many of the larger cities are finding it difficult with the funding level we have been able to give them. Many municipalities are spending 100 per cent of their own money to do additional road work that we are not able to subsidize.

I think the road system is being maintained to

a reasonable degree. On the other hand, we are not able to get on with many new expansion projects that are badly needed at the speed we would like.

Every year we put forward presentations to Management Board, to the policy and priorities board and to the Treasurer. I have to understand their problems with decreased revenues and so on. I do not know whether we are ever going to come back to years such as we had in the 1960s and 1970s.

**Mr. Samis:** I trust your presentations to the Treasurer have a certain special tone to them prior to an election.

**Hon. Mr. Snow:** As you said, I am a nonpolitical minister. All I worry about is getting re-elected.

**Mr. Samis:** You are, but Larry Grossman is totally political. We know that. He is campaigning for two jobs now.

**Hon. Mr. Snow:** Larry is not political. You know that.

If you want to take it as a comparison and look at figures, you can come up with all kinds of statistics comparing our ministry's budget with the total provincial budget. If you go back to the 1950s, the old Department of Highways budget was about 30 to 32 per cent of the total provincial budget. That has diminished over the years. I did not bring that sheet but I see somebody else did. During the 1960s it was in the neighbourhood of 25 per cent. During the 1970s it got down to 12 per cent, 10, 9.5, 9.2 and 9.1. Before the end of the 1970s it was down to about seven per cent of the provincial budget.

You have to take into consideration that there are a lot of things in the overall budget. Back in those early years both hospitals and doctors were outside of the budgetary process because there were the Ontario Hospital Services Commission and the Ontario Health Insurance Commission. Only the subsidy part was in the budget, whereas now everything is in the budget. You are looking at a lot bigger pie.

Our share has kept going down over the past years. For the 1983-84 estimates we are doing now, it is the lowest it has ever been. It is six per cent of the total provincial budget.

If you want to look at where the revenue comes from, we also keep a tab on highway and transport-related revenue such as the gasoline tax, diesel fuel tax, licence fees and so on. We do not take in sales tax on vehicles and so on. We do not go that far.

The highway-related revenues approximately balance with the budget of this ministry. The

estimate for this year is that our budget is \$1,475,000,000 and the estimated revenue from those sources is \$1,443,000,000. In other words, the gasoline tax, diesel fuel tax and motor vehicle licence fees—and I presume that takes in drivers' licence fees too—comes to about the same amount of money as the budget.

**Mr. Samis:** You have one of the better records of the government then in terms of Larry getting revenue.

10:20 a.m.

**Hon. Mr. Snow:** I have suggested sometimes with tongue in cheek but not really, that this ministry could be run—Eric will love this—as a crown corporation. We could collect our own revenue, build our roads and not go through the budgetary process of the province as such.

**Mr. Samis:** Even Ronald Reagan has not gone that far.

Interjections.

**Mr. Samis:** Can I ask a general question? You talk about a percentage of the budget for highways. Are we pretty well in the ball park with other provinces in terms of the slice of the pie?

**Hon. Mr. Snow:** I do not have those figures. The budgets of other provinces seem to fluctuate somewhat more. I have talked to some of my colleagues in the other provinces and they do not seem to have trouble getting money. They say their caucuses insist that the ministers of highways or transportation have a substantial budget in order to keep adding roads.

**Mr. Samis:** Your caucus does not do that?

**Hon. Mr. Snow:** They all look after their own ridings and put their own arguments forward.

**Mr. Pollock:** I have more than 6,000 miles of road in my riding.

**Hon. Mr. Snow:** Anyway, that is an ongoing problem. Another thing you have to consider too, when looking at the overall budget, is that this year it is six per cent, compared to back at the end of the 1960s or in 1970 or 1971 when it was 13.5 per cent—over double, as a percentage. In those years we were not in the transit business to any significant degree. It is only over these past 15 years that we have started investing very heavily in transit. Those are the overall budget figures I am giving you.

If we had the budget we have today and money was not being spent on transit, then we would be in great shape for meeting the needs of highway construction. But with several hundred million dollars each year going into transit

one type or another, whether it is GO Transit or municipal subsidies, it has basically been a shift in the policy of the ministry to cut down on road-building and to increase funding for transit. That was consciously done, but it has put a bigger squeeze on the road budget. For instance, Metro Toronto gets an awful lot more money for transit every year than it does for roads.

You mentioned the quarry in Ernestown. I know there was an issue over that particular quarry. It is the ministry's policy when we are doing these major contracts to identify aggregate deposits in the area. Those are published on our strip maps. When we call the tenders, the contractors know of this; they know of the commercial sources and the proposed wayside pit sources.

That particular deposit, I understand, was approved by the Ministry of Natural Resources, which has to issue the permit for the quarry, and I understand it was approved also by the Ministry of the Environment. I know there were some concerns down there, but we have to identify and use those sources of aggregate; otherwise, the cost of our construction projects would go sky high.

**Mr. Samis:** They never took that to court, did they?

**Hon. Mr. Snow:** No, not that I know of. As I say, I was down in that township Monday of this week, opening the Taylor-Kidd road. I was with the warden, the reeve and the council of that municipality and there was no mention made to me of the issue whatsoever. I guess it is not the burning issue maybe it was.

**Mr. Samis:** The battle is over.

**Hon. Mr. Snow:** With regard to propane vehicles, you ask about inspections outside Metro and the cost and timing of the inspections. We have agreed with the Ministry of Consumer and Commercial Relations that we will set up and implement the inspection system as soon as possible. We hope to have it ready to go by January 1, but I think the minister's statement said early in 1984 in case we are not quite ready on January 1.

Any of the licensed inspection stations we have now that do mechanical fitness inspections for the transfer of a vehicle will have the opportunity to be certified to do propane inspections as well. The only thing they will have to do is have a mechanic on their staff who has a propane certificate. I forget what you call that number—C6 or C6A or whatever the number is.

In other words, any service station garage

that can now do mechanical fitness certificates for other purposes will be able to do the checks on propane vehicles. Of course, those will be all over the province. The only thing they will have to do is have one of their mechanics have this additional certificate for propane.

**Mr. Samis:** What does he have to do to get that?

**Hon. Mr. Snow:** I do not think it is very difficult. He has to take a little bit of a course of some kind in propane. Does anybody know how long that course is?

**Interjection:** One day, I believe.

**Hon. Mr. Snow:** I believe it is only a day or two. I know that one of the garages in Oakville had one of its mechanics take the course when I got my propane car so it would have somebody certified who could do the checks on it.

**Mr. Cunningham:** Then you got rid of your car.

**Hon. Mr. Snow:** A year and a half later I got rid of the car.

So I think this will be set up. There will be a cost, of course. The owner of the automobile will have to pay the cost of the inspection to the inspection station.

**Mr. Samis:** You say you are using the commercial outlets outside of Metro essentially?

**Hon. Mr. Snow:** Commercial outlets all over the province—in Metro, outside Metro, everywhere else.

**Mr. Samis:** One of the points Austin was making is that the people who are doing the installations are not qualified.

**Hon. Mr. Snow:** The licensing and setting up of the standards for the installers or the converters comes under the Ministry of Consumer and Commercial Relations, but every new conversion, starting very soon when these regulations are in place, will have to have this certificate immediately after it is converted. If the converter has a properly qualified mechanic with a certificate, he will be able to issue his own certificates; if he does not, they will go to a garage.

**Mr. Samis:** You are saying that your safeguard is this one-day course.

**Hon. Mr. Snow:** Whatever the length of the course is. There is a special course for a mechanic to take to get this added endorsement to his mechanic's licence that qualifies him to work on propane vehicles. He is a licensed mechanic, probably a class A mechanic to start with, and he has to take this course just to be

able to adjust the carburetors and what not of the propane rather than the gasoline cars.

That is in place now. Many garages have mechanics who have this certificate. Others that do not have them and want to do these propane checks will have to get one of their mechanics certified.

I do not know what the cost of a certificate sticker is going to be. I guess it is like anything else. When you take your car in, if they find anything wrong with it and have to fix it or have to change the hose, as Dr. Elgie said, from the type-2 hose to the type-3 hose, then there is going to be a cost there. But I hope the inspections will be available all across the province, as they are for the vehicle inspections now.

I think you made one very good point in discussing the child restraints. I was pleased that the Treasurer (Mr. Grossman) agreed. I went to him a couple of months ago and suggested a sales tax exemption for this phase-in period. We had suggested a permanent sales tax exemption to the previous Treasurer, which was not included in the last budget, so we went asking for consideration of a three-month exemption for this phase-in period, which the Treasurer, as you know, agreed to. Whether or not he extends it beyond that period of time is part of budgetary policy.

**Mr. Samis:** Larry has to get some for his kids, doesn't he?

**Hon. Mr. Snow:** I think his kids are a little bit bigger than that now. They have passed the child-restraint age.

**Mr. Cunningham:** Would the chairman permit just a comment on this particular subject?

**Mr. Chairman:** Yes. I am trying to restrict the questioning so we can get on.

**Mr. Cunningham:** I will do it after the close.  
10:30 a.m.

**Mr. Chairman:** It might save time later on, I would suppose. We have 12 hours in which we are involved in this.

**Mr. Cunningham:** I compliment the minister on being able to get this exemption for this period. I just hope we can continue it. As Mr. Samis said yesterday, it is not an optional proposition and it is not a luxury item. In particular, people with lower incomes and with a pile of children find this to be a great inconvenience.

Maybe two, three, four years from now when there are a lot of used ones on the market the

problem may not be as severe. People will be able to get them in garage sales and things like that. In the interim, I think you would be well advised to implement an exemption for them.

**Hon. Mr. Snow:** As I have said, I have gone as far as I can. We made that submission to the Treasury and those decisions are made outside of my realm of responsibility. I would be quite happy if they were permanently exempted, as children's clothing and shoes are.

There is another very good point you made and I would like to follow up on it. I will send a letter to the presidents of the major car leasing companies, such as Hertz, Tilden, etc., suggesting—I do not think we can tell them they have to—that those companies at their major outlets have a limited number of car seats available upon request if someone is renting a car. The legislation says you do not have to have a child restraint seat in a rented car or in a taxi.

**Mr. Samis:** Have you had any complaints about this?

**Hon. Mr. Snow:** No.

**Mr. Samis:** None at all.

**Hon. Mr. Snow:** No, I have not. But I think your point is very good. If you get off an airplane at Malton and you rent a Hertz car to drive to London or Hamilton or wherever and you have a two-year-old child with you, if you are a conscientious parent, you might very well want to have one.

**Mr. Samis:** You have no choice. It is the law if you are in a car in Toronto, for example.

**Hon. Mr. Snow:** No, you do not. If you are in taxi or—

**Mr. Samis:** Oh, a taxi.

**Hon. Mr. Snow:** —a friend's car or, as I understand it, a short-term rental car, you are exempt.

**Mr. Samis:** If I rent a car for the weekend, you are telling me I am exempt?

**Hon. Mr. Snow:** I believe so. Is that not right? Yes. We had to. We had to put in enough exemptions in the law's regulations to make it liveable for people.

If you are going give your next door neighbour a ride downtown or a grandparent is going to pick up the daughter and granddaughter for a Sunday afternoon drive or something, if they do not have one of those seats, then they are not breaking the law. The regulation says, "a vehicle owned or used by the parent or guardian of the child."

**Mr. Samis:** The point this fellow made may not be an entirely valid one, accepting your explanation about the law. He felt that since he could not get one when he rented the car, he virtually had to go out and spend \$40, \$50, \$60 or \$80.

**Hon. Mr. Snow:** I am sure that is the case and it is terrible. As I say, I will write a letter to the presidents of all the major companies suggesting they have a rental program for \$1 or whatever. They could rent a car seat or it could be a fringe benefit they could offer to people renting the vehicles.

**Mr. Samis:** Could you let me know how they reply? It will be interesting.

**Hon. Mr. Snow:** Sure. As I say, I think I will write to all those companies making suggestions on this account.

You mentioned marine transportation and the proposal in the United States for year-round navigation. This was a kicker that was thrown in as a part of an omnibus bill in the US dealing with water resources. It came out of the blue with no warning to anyone.

As you know, when we had our task force on the St. Lawrence Seaway, there was some consideration or discussion in that report with regard to the possibility of extending the shipping season. Even if it could be extended by a couple of weeks at each end of the season, that would be a substantial help to major industries using marine shipping. I do not think we ever gave any serious thought to having a year-round system because there is certain downtime needed in any case for maintenance work to the canals, locks, ships and everything.

This is a matter which is being dealt with at the federal level. I understand a diplomatic note has been sent by External Affairs to Washington dealing with this.

**Mr. Samis:** My point was, have you taken any stand? Have you contacted the feds to let them know what your position is?

**Hon. Mr. Snow:** Yes, we have been in touch with External Affairs.

**Mr. Samis:** Telling them of your opposition.

**Hon. Mr. Snow:** I do not think we know enough about it at this moment to say we are totally opposed to everything that might happen.

**Mr. Samis:** But in principle.

**Hon. Mr. Snow:** I am sure this is not going to happen overnight. I am not going to come out

and say I am against everything that might be done to improve the marine shipping service.

**Mr. Samis:** Nobody is suggesting that.

**Hon. Mr. Snow:** I do not shoot from the hip like that. I wait until I find out about it.

**Mr. Samis:** This congressman is shooting from the hip.

**Hon. Mr. Snow:** We have an interministerial committee in Ontario looking into this suggestion. That would include the Ministry of Natural Resources and the Ministry of the Environment. As time goes on, if this thing gets anywhere in the United States, we would certainly be putting the results of that committee's considerations forward to External Affairs. Of course, federally, Environment Canada and so on will be involved.

Just because some committee passed this clause in this bill in Washington, it is not going to happen overnight.

**Mr. Samis:** I understand that. It is important to get on the record what our position is.

**Hon. Mr. Snow:** We will be on the record once we have investigated and refined the thing more. There would have to be environmental assessments and so on, I am sure, on both sides of the border before any consideration could be given.

**Mr. Chairman:** If I might interject, at our last set of estimates, those of the Provincial Secretariat for Resources Development, we were advised the interministerial committee fell under that secretariat and it is actively involved in it.

**Mr. Samis:** Which committee?

**Mr. Chairman:** The Provincial Secretariat for Resources Development, Norm Sterling's secretariat. The interministerial committee falls under his jurisdiction.

**Mr. Samis:** I gather the Minister of the Environment (Mr. Brandt) has taken a public stand.

**Mr. Chairman:** It also arose in those estimates. It certainly is of great concern.

**Hon. Mr. Snow:** Environment, Natural Resources and our own ministry are all part of the resource policy field under Mr. Sterling's area, so we are all working together on this.

You referred to a Quebec City forum I attended. I did not attend it. Mr. Gilbert—

**Mr. Samis:** I did not say you attended it, but somebody from your ministry.

**Hon. Mr. Snow:** I was not there. Mr. Gilbert was at that forum. Perhaps when we get into the

detailed votes, you might want to ask him some particular questions regarding it.

**Mr. Samis:** The only thing I wanted to know is if this topic came up at that conference.

**Mr. Gilbert:** No, it did not, Mr. Samis. As the minister said, we can get into more detail if you like, but that forum was to try to bring together all the interested parties with respect to the Great Lakes, the carriers, the shippers, the interstate commission—

**Hon. Mr. Snow:** It was really to promote the utilization of the marine mode of transportation. That is what that forum was all about.

**Mr. Gilbert:** It was just before the Great Lakes conference that took place. Of course, they were into environmental issues after that.

**Hon. Mr. Snow:** Your next comments were with regard to the rail office and dangerous goods in general. We made our recommendations to the Grange commission after the Mississauga disaster. Our point has been that every step possible should be taken to make the transportation of dangerous goods by rail as safe as it can possibly be. I think Grange's recommendations included quite a number of our recommendations to that royal commission. Some of them are being implemented.

10:40 a.m.

We work very closely with the Metro Toronto Residents Action Committee, M-TRAC. We have assisted them and they have assisted us, both ways, in making presentations to the Canadian Transport Commission.

**Mr. Samis:** They even had some nice things to say about you.

**Hon. Mr. Snow:** We even assisted them with some funding to do some research they were doing because it was research we probably would have been doing ourselves, if they had not been doing it. So we work very closely with them.

Some initiatives have taken place. I know Canadian Pacific is adding a number of hot-box detectors and things of this type. They are upgrading the quality of the track and switches on the line through Toronto. We have, as you know, very limited jurisdiction. Our role as a rail office is mainly to monitor rail matters within Ontario and represent the province at all CTC hearings and prepare material to present to the CTC on discontinuances or any matters relating to rail.

The matter of the Nakina runthrough is something again that we have very little control

over. We have been in touch with Nakina. We have had representatives go to a meeting there. We contacted Canadian National and they made us aware of their proposals for this runthrough. In fact, it was on our initiative that CN senior people went to Nakina to attend a meeting with the municipality there. What the final outcome is going to be on that, I guess we do not really know at this point.

**Mr. Samis:** I presume you worked with the member for Lake Nipigon (Mr. Stokes) as well?

**Hon. Mr. Snow:** We were there; we had people there. Jack was there at the meeting and we have had correspondence with him. I have had quite a bit of correspondence with the right wing of the NDP.

**Mr. Samis:** We are prolific, aren't we, just like your right wing?

**Hon. Mr. Snow:** You mentioned municipal airports. Our municipal airport program has been very successful. We have now built 20 or 21 remote airports in northern Ontario. I was up there a month or two ago for the opening of two more airports this year at Deer Lake and Sachigo. We have a couple more under construction which we will get to when we go into the detailed votes.

We have also given some considerable subsidies to municipalities in northern Ontario and have now expanded into southern Ontario. I was in Goderich yesterday morning for the opening of the improvements to their airport, the new small terminal building they built there and some additional improvements.

I was also at Lindsay. They have put in a paved runway at a cost of \$200,000 this year. We subsidized that to the tune of \$160,000 or 80 per cent for a 3,000-foot paved runway which has greatly improved their airport. They have plans for future expansion to 5,000 feet. The town of Aylmer this year also extended one of its runways to 5,000 feet. We were involved with them in that program.

I have been involved with the Summerstown airport for a number of years, working with the city of Cornwall and the township and county down in that area. Certainly, we have been kept involved in what is happening there. Mr. Lumley did call me a couple of months ago, or whenever it was, at the time—

**Mr. Samis:** Was this after he made his announcement about the \$2 million?

**Hon. Mr. Snow:** It was at that time, whether a day or two before or a day or two after, I cannot tell you. He did call me and discuss his offer o

funding for that airport. I was then contacted both by Mr. Villeneuve and by the township—

**Mr. Samis:** And John Cleary?

**Hon. Mr. Snow:** They were up to see me about improvements to the road into the airport. I agreed we would give them supplementary funding to upgrade the county road into the airport. They wanted to do the whole road. I said that was not necessary for the operation of the airport, but we would give them supplementary funding for about half the road.

I also said that if the city of Cornwall was going to make a contribution towards the road, I would waive that contribution. The overall policy would be that if the city of Cornwall was going to put in \$100,000 on a \$300,000 job, we would take that \$100,000 off the \$300,000 and subsidize the \$200,000. I have the authority under the act to waive that and I said I would waive it so the \$100,000 would go towards—in other words, we would pay the subsidy on the total road.

**Mr. Samis:** I think you realize the unfortunate part is that everybody had agreed on a location finally in Bonville when, all of a sudden, Lumley came in with this \$2-million goody and screwed up the works royally.

**Hon. Mr. Snow:** I do not know about that. I am not sure of whatever had gone ahead in the other place either, but they had been talking about different sites, as goes on from time to time with airports. In any case, we have been kept involved.

I met with the group. Some unfortunate publicity came out of the meeting because of wrong information. In fact, I had a phone conversation with the clerk of the township apologizing for some of the press that came out following our meeting. I had made the suggestion to the council that in planning the airport they should consider future expansion to 5,000 feet, because many municipalities, some of which I just mentioned, find that after a few years they want to expand their basic 3,500-foot runway to 5,000 feet.

With respect to the city of Cornwall with Alcan, Domtar and firms like that there, they may very well want to bring jets in there. This is what happened in Aylmer. They have had an airport for many years, but there are a number of industries that have executive jets and they want to be able to land at Aylmer rather than at London, so they extended the one runway. In fact, the industries put up a substantial amount

of funding, the municipal share, to extend that runway.

I only suggested to them that in their master planning, their overall planning, they should make provision for a future 5,000 feet, because it was our experience that in about five or 10 years they would probably want to extend it. The information seemed to come out in the press down there that I had told them that they had to build a 5,000-foot runway and all sorts of other information which was not the case.

I do not think there was any misunderstanding with the council. However, it got related to the press down there because I know I saw a press clipping that was totally wrong.

Just last week Ed Lumley called me—last Thursday evening, I think—about a number of matters and we had a long discussion on the airport project. He said he was meeting with the township and the city that night or the next day. As a matter of fact, I had a telephone conversation with the clerk of the township last week as well to clarify a couple of matters. So both the federal government and ourselves are onside, and I think we have clarified what we recommended. It is up to the city and the township to make the agreement on whatever they are going to do.

**Mr. Samis:** I hope the whole matter will be resolved in the next month or so because I think they are at the final stage.

**Hon. Mr. Snow:** I understand it is coming along.

**Mr. Pollock:** What is the status of the civic terminal at the Canadian Forces base in Trenton? Where does that stand at the present time?

**Hon. Mr. Snow:** I am not exactly sure right now. I met with the committee down there, with the township and the town of Trenton. I also met with the city of Belleville, and we looked at three different options being considered. One was having a municipal airport component at the military base, one was building a new airport east of Belleville and one was upgrading the airport over on the island in Prince Edward county—I forget the name of it.

**Mr. Pollock:** Mountain View.

**Hon. Mr. Snow:** Mountain View. We looked at the whole thing and we came right back to our original recommendation which was to use Trenton. I understand they got approval from the federal government and they are going ahead with their plans. I do not know where they stand. We have agreed to subsidize certain costs of putting up a little terminal, ramp and

taxiway at the end of the Trenton airport, but I do not think we have yet done anything as far as going ahead with construction is concerned.

10:50 a.m.

**Mr. Pollock:** The situation as far as Belleville terminal is concerned is that they do not own it?

**Hon. Mr. Snow:** No. There is a private airport east of Belleville, and, as I understand it, there was some pressure on to take over that airport, make it a municipal airport and build all the facilities. As I explained to them, they could spend millions of dollars there and they would never have as good an airport as they have sitting at Trenton already with navigational aids, landing equipment, fire equipment and everything.

I think they are now in agreement. I am not sure about Belleville, but everybody else is in agreement that they should develop the base at Trenton.

**Mr. Pollock:** There is no question about it; they have the best of equipment at Trenton.

**Hon. Mr. Snow:** Mr. Samis asked for the cost of printing a booklet on all modes of transportation. I understand that 1,500 copies were printed at a cost of 34 cents each, which is about \$510. It was printed in-house within the ministry.

With regard to the Board of Industrial Leadership and Development program, BILD, as you know, has been putting up \$25 million a year for additional projects. Only those projects that are being funded out of BILD have the BILD identification on them by way of a BILD sign, and I think that is rather appropriate.

**Mr. Samis:** A little hard to take.

**Hon. Mr. Snow:** We do not make new signs for every job. We just move them around from one to another.

**Mr. Samis:** The motorists have to look at them.

**Hon. Mr. Snow:** In fact, I saw some the other day that still have Frank Miller's name on them and I am wondering why I have not heard about that. I am sure there are people who would not appreciate that—one in particular.

**Mr. Samis:** He was still campaigning then.

**Hon. Mr. Snow:** The next comments were regarding the GO system and the update on the government of Ontario advanced light rail transit. I think I answered that pretty well in replying to Eric's similar comments.

With regard to the matter of interregional transportation, we do have a study going on in a co-operative effort with the major municipali-

ties around Toronto to develop the best possible way of handling interregional transportation other than GO. Because a number of the municipal transportation systems want to run across boundaries, it makes sense to do so. We are working with all the transit bodies to try to work that out.

With regard to the Harbourfront transit, we have a joint committee working on that project now. In fact, a separate office has been set up and is doing a complete study of the transportation needs of the whole waterfront area. That is being headed by a man seconded from the Toronto Transit Commission. I forget his name now.

**Interjection:** Don Morton.

**Hon. Mr. Snow:** Don Morton. He is a TTC engineer and he is heading that study. It is a co-operative effort among the TTC, Metro Toronto, the city of Toronto, GO Transit and so on because it is very important that we establish the needs through the waterfront area and establish the need for a corridor through there. This has to be done in conjunction with the development of the railway lands.

This co-ordinated group is well under way now working on the long-range plans for TTC's needs in that corridor. Their master plan shows things being done in that corridor, our future GO-ALRT line through that corridor and whatever type of system is going to be used to service the Canadian National Exhibition grounds and the domed stadium or whatever.

**Mr. Samis:** I presume that is part of the scenario.

**Hon. Mr. Snow:** I hope it will not be built in that location.

**Mr. Samis:** Well, you know it will be.

**Mr. Cunningham:** Don't give up.

**Hon. Mr. Snow:** No. We solved that problem but it has just not quite gelled yet.

**Mr. Cunningham:** I was impressed.

**Mr. Samis:** You were impressed. Well, he can read the scoreboard.

**Hon. Mr. Snow:** That joint planning exercise on Harbourfront is under way. I do not know when we can expect it. I imagine it will be a year or more before we have a report on that area. In the meantime, I think the TTC is proceeding to some degree with an articulated streetcar line going through Harbourfront separate from the

You discussed the municipal transit program and suggested strong support is essential. I agree with that. I think we are giving strong

support to all the municipal transit systems in the province, much more generous and stronger support than any other jurisdiction I am aware of.

You discussed the ratio of subsidy for Metro Toronto compared to other municipalities. I and the ministry think, and everybody thinks except the odd person in Metro, that our subsidy rates varying from the large municipalities through to the smaller municipalities are quite fair and equitable. Where we give a 25 per cent of operating cost subsidy to a municipality under 100,000, its cost-revenue ratio is less. It works out that in most cases we are pretty well sharing the deficit with the municipality by doing that, as we are doing in Metro Toronto.

Metro Toronto has a much more mature system. It has a much greater volume of passengers and, obviously, does not need the degree of subsidy the smaller systems do. Since we implemented that system, we have done a few minor adjustments to it over the years, but basically it has been very satisfactory. The only concern I am getting from the municipal transit authorities and from municipalities is they hope we have the funding to maintain the subsidy structure as it is.

You discussed the amount of the TTC fare. We do not set that. It is set by Metro. You were comparing the cost of a ride on the TTC compared to Ottawa, London, Winnipeg or wherever. You have to consider the quality of the service and the length of the ride. You can get an awfully long ride for one token in Toronto. You can also pay the same token to ride two blocks, if you want to ride two blocks.

**Mr. Samis:** I recognize that. On the other hand, you can argue that you frequently have to travel longer distances to work in a larger city.

**Hon. Mr. Snow:** One does not have to. It all depends. If you want to live in Scarborough and work in Etobicoke you have a long ride every day, but if you drive your car that long distance, the longer you drive, the more it costs you, whereas on the TTC you get the long ride for the same price as the short.

There will always be people arguing that subway fares or transit fares should be lower. There would be some people who would go so far as to argue they should be free, but I think that is unrealistic.

**Mr. Samis:** I have not heard them lately.

**Hon. Mr. Snow:** I thank you for your comments regarding the Urban Transportation Development Corp. I think UTDC has had a very

successful recent period. I was in Kingston on Monday for the roll-out of the first intermediate capacity transit system vehicle for the Scarborough line. All the rest of the vehicles are coming down the line. Take into consideration that the plant has probably been up less than a year. It is only about 16 months since they laid the cornerstone for it.

The plant is completed and the assembly line is going. The first completed vehicle is off the line, and there must be another 25 or 30 vehicles in various stages of development. I think they have made quite a significant effort and accomplishment in what they are doing. They have both TTC cars and Vancouver cars on the assembly line at this time.

**11 a.m.**

You said you were concerned about the tendering of the component parts and other contracts. I am not sure which you were referring to.

In general, from time to time I get inquiries about UDTC's purchasing policies. About a week or two ago I had an inquiry about them from a company that had tendered on some—I forget what it was now—power supply or whatever, for the Vancouver contract. The full information was made available to them. I think there were six tenders on the job. The tenders were evaluated and the contract was awarded. That company was inquiring for more information from me. I gave them the full information and they were totally satisfied with the tendering procedure and the award of the contract.

Under the government of Ontario advanced light rail transit program, the construction contracts for the bridges, track work, guideway work, stations and everything will be tendered on the same basis as we tender bridges and highway jobs and will be awarded through the ministry's tender office. I am quite satisfied. I am not getting any complaints at the moment that the UTDC's policies in purchasing and tendering for components is not being handled exactly the way it should be.

You recalled the Toronto Transit Commission purchases and referred to my heavy-handed tactics. You have only to look at the record over the years. TTC bought 200 streetcars. It wants more streetcars. We have paid for the design. The public in one way or another has paid for the design and the research that went into developing the new streetcar.

There is not a similar streetcar manufactured or a comparable one to that manufactured in Canada in North America to my knowledge.

The only option would be to go to Europe or Japan to buy cars. I do not think you would suggest that. We do not expect to sell any cars in Japan. We may sell in the Far East but not to Japan because they have their own builders there. That only makes sense.

It is the same with the subway cars the TTC wants. The last three or four or five contracts for subway cars have been designed and built by Hawker Siddeley in Thunder Bay. It only makes eminent sense that the tooling, expertise and design we have be used rather than go offshore. Perhaps the only other Canadian supplier for subway cars would have been Bombardier, but it does not have a streetcar design compatible with the TTC design. I am not saying it could not start all over again and spend millions of dollars and develop one if it wanted to, but I am not sure it would want to do that.

I think UTDC has proven its competitiveness, for instance, in the Santa Clara bidding, where we were bidding against international competition, against a German, a Japanese and an American company. I do not have the exact tenders here, but they are certainly available. UTDC was the low bidder. The Japanese company was about one per cent or so higher. The German company was another \$2 million or \$3 million higher. Budd from the US was the highest of the four bids for the Santa Clara contract.

**Mr. Cunningham:** Could I have a supplementary on that? Do you have to set up a fabricating plant to accommodate the buy-American program to make that project reality?

**Hon. Mr. Snow:** I am not sure what our requirements are on that. Those cars are going to be built in Thunder Bay.

**Mr. Cunningham:** Will they be fabricated in the States?

**Hon. Mr. Snow:** There may be some finishing work done on them in the States. I am not sure. We have to get that detail from Mr. Foley on Thursday. The basic car is to be built in Thunder Bay.

We are as interested as a province, as anyone else is, that TTC is getting a good deal because, after all, we are paying 75 per cent of the cost. That has to come out of my budget, so I certainly do not want to be paying any higher cost than necessary.

UTDC and Bombardier are co-operating and working jointly on the Singapore bid because UTDC actually was qualified to bid in Singa-

pore and Bombardier was not approved by the purchasing authority over there.

**Mr. Cunningham:** What was the reason for that?

**Hon. Mr. Snow:** Do not ask me. I am not the Singapore transit authority, but—

**Mr. Cunningham:** You would know.

**Hon. Mr. Snow:** There were a number of bidders who put in proposals. The Singapore authority picked four or six bidders they certified or qualified to submit the tender. That decision was made after discussions with the federal Export Development Corp., which is involved in that. It is quite a large contract.

**Mr. Samis:** Was it as a result of federal pressures that Bombardier was incorporated?

**Hon. Mr. Snow:** No, I would not say federal pressure. UTDC and Bombardier have worked together. There have been a number of different projects they have had discussions on and worked together on. I do not know of any contracts they have actually carried out together, but I know from time to time there are quite a number of things they have done. At one time they had a contract to do the articulated streetcar together. I cannot say for sure but then I believe there was pressure from the Quebec government so Bombardier withdrew from that case. Anyway, UTDC and Bombardier have a team working together now on the bid package for the Singapore contract. If they are successful in that contract, the work will be shared.

One has to consider also that even for Bombardier about 40 per cent of the content that goes into a Bombardier car comes from Ontario suppliers. I wish them every success in the work because the more sales they can get, the better it is for Canada. The aluminum comes from Kingston. There is certainly room for those companies to work together.

On the Ian Sinclair involvement in this, TTC and Metro suggested having an outside, qualified, experienced, hardheaded, nonsocialist—a you called him—

**Mr. Samis:** That is an understatement if there ever was one.

**Hon. Mr. Snow:** He happens to be a constituent of mine from Oakville. I do not think he knew that when they appointed him.

**Mr. Cunningham:** Does he vote for you?

**Mr. Samis:** You are probably too left-wing for him.

**Hon. Mr. Snow:** Well, I don't know.

**Mr. Samis:** With your GO and your UTDC and everything.

**Mr. Laughren:** A closet socialist.

**Hon. Mr. Snow:** Twenty years ago I was a shareholder in the Canadian Pacific Railway, but I am not any more, so I have no conflicts of interest.

**Mr. Laughren:** You look a bit like Ian Sinclair.

**Mr. Samis:** He doesn't wear those shirts.

**Hon. Mr. Snow:** He has been engaged by the TTC to take an independent look, to review the tenders, all the kinds of information being made available to him on the world market on tenders and other projects. He has lots of things to compare and will be able to advise. I understand he will be advising the TTC this week.

**Mr. Cunningham:** Mr. Hennessy asked me to ask you that.

**Hon. Mr. Snow:** I am sure he did.

**Mr. Cunningham:** He can't be with us this morning.

**Hon. Mr. Snow:** Mickey was trying to get up on his feet yesterday to ask me that question in the House but he never quite made it.

Mr. Sinclair is supposed to make his report to the TTC, which will go to the commission, I am told, the first week in November. That should be some time this week. I have not heard whether that is on track or not, but that was the plan.

11:10 a.m.

You asked me how I controlled the ministry and the crown corporation. I do not know what you meant by that. We have no trouble within this ministry or with the crown corporation as far as control is concerned or monitoring the activities in addition to ongoing day-to-day contact between the UTDC and the ministry.

We have monthly meetings. The chairman of the board and the president meet with Mr. Gilbert and me one morning a month in my office for an hour or two or whatever is necessary to review any new things that are happening in that particular month and to bring us up to date on all contracts, tenders and proposals the corporation is involved in. In that way, we have a regular monthly communication. That meeting is usually the day after their monthly board meeting, so we can review the minutes of the board meeting.

This is the same method of operation I have with the Toronto Area Transit Operating Authority. Harold and I meet with the chairman of the board and the managing director of TATO A once a month and review all TATO A matters,

including the minutes of their previous board meeting, and we keep up to date on everything that way. We have a very good working relationship with both the crown corporation and the operating authority.

**Mr. Cunningham:** I do not have the auditor's annual report with me, but on page 105 of his report he indicates that—

**Hon. Mr. Snow:** Which auditor's report is this?

**Mr. Cunningham:** The most current one.

**Hon. Mr. Snow:** Is this TATO A or UTDC?

**Mr. Cunningham:** The Provincial Auditor's report. The auditor has indicated on page 105 of his report, by way of opinion of the Deputy Attorney General, that they are of the view that under the provisions of the Audit Act and the control of the auditor over the subsidiaries of crown corporations there is some question about their ability to oversee their activities and to provide audits. There is some doubt in the Deputy Attorney General's mind. I think your deputy is familiar with this because I have raised the issue before. I think we have discussed it before during estimates.

Are you prepared to push for the kinds of changes they feel would accommodate the Provincial Auditor in this regard in bringing these subsidiary corporations in line? It would appear—and I could be very wrong; I have been wrong so many times before—that once a crown corporation is established it can set up its own subsidiaries and its own joint ventures. That then therefore removes them from the control of the Provincial Auditor, which I do not believe was our intent when we—

**Hon. Mr. Snow:** It is certainly not the way we operate, anyway. The subsidiary corporations of UTDC, or GO Transit for that matter—but we are talking about UTDC—have Thorne Riddell or one of the major national auditing firms do their auditing and all that material is made available to the Provincial Auditor. I believe subsidiaries like Metro Canada Ltd., UTDC Services Inc., and UTDC (USA) Inc. are all consolidated in the overall statement.

**Mr. Cunningham:** But it is not mandatory and that is permissive on their part. They do it because they concede to do it. They are not obligated to do it, in the opinion of the Deputy Attorney General, which I think is a highly technical thing.

**Hon. Mr. Snow:** I have had no correspondence from the Provincial Auditor suggesting

any changes in the Audit Act or in Attorney General, which I think is a highly technical thing.

**Mr. Gilbert:** May I add something? The minister has said that on any projects UTDC has done for the ministry our own internal audit has open access to everything there. As I understand what was stated in the report, what has been going on with UTDC is basically what the Provincial Auditor is talking about. In other words, he has access to everything, whether it be by policy or by the right to go in. We have always assumed and UTDC has always assumed that he has the right to go in and talk about anything.

**Mr. Cunningham:** That is nice, but your assumption is at variance with the opinion of the Deputy Attorney General—

**Mr. Gilbert:** I realize that.

**Mr. Cunningham:** —as expressed in page 105 of the report. Theoretically, the head of one of the crown subsidiaries, or Mr. Foley himself, could say: "No, you are not coming in here. You are not taking a look at our books."

**Mr. Gilbert:** But he has never done that.

**Mr. Cunningham:** He was not particularly co-operative on one occasion, though on balance I cannot be critical in that regard. It is the theory and the principle I am concerned about. It does not relate just to UTDC but also to the plethora of boards, agencies, commissions and their subs.

I can say to you right now that there is not a member of the Legislature, I do not think, with the exception maybe of the Chairman of Management Board (Mr. McCague), who could tell you the exact number of boards, agencies, commissions, crown corporations and their subsidiaries. There are that many of them.

**Hon. Mr. Snow:** I can certainly tell you the ones my ministry has. There is only one crown corporation, and that is UTDC.

**Mr. Cunningham:** How many subsidiaries do they have?

**Hon. Mr. Snow:** Oh, about four. There is UTDC (USA) Inc., which is the United States company that carries out the contracts there. There are Metro Canada Ltd., UTDC Services Inc. and UTDC Research and Development Inc. Then there is the joint venture with Hawker Siddeley, RailTrans Industries of Canada Ltd., which will be set up on January 1.

**Mr. Cunningham:** Now we are at five. Did you mention UTDC Services?

**Hon. Mr. Snow:** Yes.

**Mr. Cunningham:** How about the transportation advisory thing? How about UTDC energy corporation or whatever? Is there not one of those?

**Hon. Mr. Snow:** I do not think so. I have never heard of that one.

**Mr. Gilbert:** It could be part of one of the other subsidiaries.

**Mr. Cunningham:** Okay. You are getting my point.

**Mr. Gilbert:** But certainly they bring that type of thing in front of the minister and me.

**Hon. Mr. Snow:** I approve of the organizational structure setting up RailTrans and the Canadian Car Division. The new RailTrans Ltd. will be 20 per cent owned by Hawker and 80 per cent by UTDC, and RailTrans will own 100 per cent of VentureTrans Manufacturing Inc. in Kingston and Can Car in Thunder Bay.

**Mr. Cunningham:** It will own 100 per cent of Kingston and 80 per cent of—

**Hon. Mr. Snow:** No. It is 100 per cent of Kingston and 100 per cent of Thunder Bay.

**Mr. Cunningham:** You are taking 100 per cent of Thunder Bay now.

**Hon. Mr. Snow:** No, Eric, you didn't follow me.

**Mr. Cunningham:** I am trying to.

**Hon. Mr. Snow:** I said that RailTrans Ltd. is new joint venture corporation.

**Mr. Cunningham:** Right.

**Hon. Mr. Snow:** RailTrans is owned 80 per cent by UTDC and 20 per cent by Hawker Siddeley.

**Mr. Cunningham:** Right.

**Hon. Mr. Snow:** RailTrans Ltd. in turn has two subsidiaries. One is VentureTrans Inc. in Kingston, which is 100 per cent owned by RailTrans. Can Car in Thunder Bay is 100 per cent owned by RailTrans. So Hawker Siddeley has a 20 per cent interest in the Can Car plant and a 20 per cent interest in the VentureTrans plant.

**Mr. Cunningham:** Right. There is a test noon.

**Mr. Chairman:** You can follow that up with Mr. Foley is before us.

**Hon. Mr. Snow:** I am interested if there is anything wrong with the auditing procedure, and I assure you it will be corrected, but there is certainly nothing to my knowledge. All the information—

**Mr. Cunningham:** I was not alleging that. I am just commenting on a particular concern that two successive auditors have had. They have identified them as deficiencies in the process. The fact that Mr. Foley and the main crown corporation and this plethora of subs—and they seem to be getting another one every year—choose to deal with you honourably and openly is maybe a reflection of their generosity of spirit as opposed to their obligation in law.

**Hon. Mr. Snow:** After all, I am the shareholder.

**Mr. Cunningham:** Either you are right or the Deputy Attorney General is wrong.

**Hon. Mr. Snow:** In theory, I am the shareholder. I hold all the shares in UTDC; in turn, UTDC holds the shares in the subsidiaries. I hold those shares on behalf of the Queen in the right of Ontario. I am the shareholder and the guy with whom the buck stops. I appoint the board of directors and I appoint the president, as far as that is concerned. If they do not do what is right, we have full control.

**Mr. Cunningham:** Of course, I would agree with you; you have no problem there. I am just perplexed when I continue to see this reference from the auditor reflecting the view of the Deputy Attorney General. There is a difference of opinion here. I guess I can assume the Deputy Attorney General is wrong.

**Mr. Gilbert:** Legally. What he is saying legally, that is it. The minister is saying that as a matter of policy as the shareholder he has directed the UTDC that this is the way he wants to see things run. What I guess we are saying is that we are not disagreeing. If he is legally right, go ahead and correct it, but as the shareholder the minister has already implemented what he is saying should be by legal access.

11:20 p.m.

**Hon. Mr. Snow:** I am afraid we are not even going to get this reply through by the time the day is over. If I may carry on, do you have any further detailed questions on that?

**Mr. Samis:** I am desisting from questions so you can get through this.

**Hon. Mr. Snow:** You referred to the Ontario Good Roads Association brief and its concern regarding funding. The Ontario Good Roads

Association, an august body that does a great job in promoting good roads in the province, is concerned with the level of funding, as we all are.

They made a brief to the Treasurer last year at budget time; really, it was after the allocation process but before the budget. I think it was partially because of their representation to the Treasurer and partially because of mine that we did get another \$15 million allocated for municipal roads, which is in the supplementary estimates. They have now presented or prepared another brief and I presume they will probably be meeting with Mr. Grossman to express their concerns again, but I am not sure.

You mentioned the matter of the Ottawa Queensway. I think the Queensway is coming along very well. We met last week with Mr. Haydon and whoever the other fellow is, the chairman of the transportation and public works committee of the region of Ottawa-Carleton, and with the Ottawa caucus and discussed the overall project.

I think everyone realizes the only way to carry out that project is the way the ministry has it scheduled. We agreed to try to tighten up the contracts so there is no space between contracts. When one contract is finished, the next one will be ready to start. I think we had full agreement from them that it would not be reasonable to have more than one contract on the way at the same time because there would be so much disruption.

They asked us to take a look at advancing a couple of modifications to other cloverleafs to work in with their busway system, which we agreed to look at, to see whether we could do it and whether we could get the additional funding to do it.

Then you brought up the matter of a thing called the Snow Road in northern Frontenac county, a very important subject.

**Mr. Samis:** You are going to give me an instant history lesson.

**Hon. Mr. Snow:** The Snow Road was named after a General, Lieutenant or Colonel Snow, who was a United Empire Loyalist who took a wagon train or something through that part of the country many years ago.

**Mr. Samis:** No ancestral ties with your family?

**Hon. Mr. Snow:** I used to have a cottage in Ashby township in the north end of Lennox and Addington county on Weslemkoon Lake and Otter Lake. There is a narrows between Otter

Lake and Weslemkoon Lake, a narrow channel 50 feet or more wide where one can go through with a boat. There used to be a bridge there. There is a trail on both sides that goes from Denbigh over to Coe Hill or someplace. I am not sure of the other end. That has been known as Snow Road as long as—one cannot find it today, but there is an old road through there.

**Mr. Samis:** I found the hamlet but not the road.

**Hon. Mr. Snow:** That is known as the Snow Road.

**Mr. Samis:** They even have a church.

**Hon. Mr. Snow:** I asked what the history of that was back in 1950 when I started going to that area and I was told it dated back to the United Empire Loyalist days. Some military officer by the name of Snow took a group of people through that area and that is why it was called the Snow Road.

**Mr. Samis:** There is no lineage at all?

**Hon. Mr. Snow:** It predates me by a couple of hundred years or something in that neighbourhood.

**Mr. Chairman:** There is our history lesson for the morning.

**Hon. Mr. Snow:** You talked about the trucking industry, the public commercial vehicle review.

As you know, we received the PCV review committee recommendations and report last spring. We have been working on that ever since. The implementation committee has been established. The trucking industry, the manufacturers, the Canadian Industrial Traffic League, independent truckers, the Private Motor Truck Council of Canada and many other groups have been asked to appoint representatives to the implementation committee to work with my staff in implementing the recommendations of that report.

There will be no wholesale deregulation such as you were concerned about. You can see that by the recommendations. Basically, I think we accept the recommendations pretty much as they are in that report.

I hope to have a very short bill to bring into the House this fall. We still have a few processes to go through yet, but I hope to have a minor amendment to the Public Commercial Vehicles Act this fall that would authorize the setting up of the rewrite commission and start getting on with the rewriting of the licences, as was recommended by the select committee on the

highway transportation of goods. It was also a recommendation of the PCV review committee.

I would expect it will probably be a year from now or thereabouts before we have the new PCV Act or trucking act, whatever we wish to call it, ready to bring forward. I am sure that is probably the type of act we will want to put into the Legislature, give some period of time to and perhaps have it referred to committee. I hope that in 18 months or two years at a maximum from now the whole process will be completed.

In reference to the dangerous goods regulations, the latest information I have—and this is somewhat fluid because it varies from time to time—is that unit one of the dangerous goods regulations, which was published in part I of the Canada Gazette the first time around, has now been in the Privy Council office for the last two or three weeks for final legal review prior to publication in part II of the Canada Gazette.

The directorate dealing with the federal dangerous goods matter in Ottawa has advised us it expects to be able to publish the final regulations, part II, in the Gazette, some time before the end of December. That is the best information I have. We have had a number of dates given to us before and they have all fallen by the wayside, so do not hold me to that date, but that is the latest position we have from Ottawa.

The Uffen commission on truck safety, as you mentioned, tabled a report a week or two ago. We are implementing a great many of Uffen's recommendations. Others are under consideration. Some will probably be brought in as part of the new trucking regulations under the PCV review act.

Under communications, you asked about the CNCP plan. We certainly were made aware that CNCP were going to apply to the Canadian Transport Commission for expanded authority to enter into competitive voice long distance communications. This is a matter we will be following with interest. I believe it is not a bad idea to have competition in many such areas of business.

CNCP are competing now in the data communication field and are using their circuits satellites and so on for certain other types. They now want to expand into voice contract lines. This will be the subject of a hearing. We will certainly be monitoring this as it goes through the CTC process and will probably be making presentations to that process as time goes on.

I think I replied to your comments regarding motorcycles in my response to Mr. Cunningham. I do not think there is anything new there

can add. I have also replied to the matter of the John Rhodes Driver Examination Centre. You mentioned the driving age. I just have to say that, at present, we are not considering changing the driving age from age 16. You say it has been that age since 1917 or something. Just because it is old, I am not sure it is bad. There has been no major reason put forward to me that it should be changed.

**11:30 a.m.**

**Bus safety:** I think we discussed standing on school buses. Using signals during the summer is a matter that I have given a great deal of consideration to. We have been working on an amendment that would bring about the use of flashing lights and stop arms for school buses during the summer months, for taking camping trips and day camps, all that type of thing, but I do not know where it stands at the moment.

We have developed a policy on it, and we are going back to the school boards, the Ministry of Education and the school bus operators association. Unless we get good reasons after those consultations as to why we should not do it, it is my intention to expand.

**Mr. Samis:** You are going to change it then.

**Hon. Mr. Snow:** It is my intention to expand it once we have gone through that consultation process. Normally we develop what we think we would like to do and then we consult with the industry before we actually bring in the amendment. I had hoped to have that in this fall, but we are just not going to be able to do that. In any case, I hope we will have that consultation. If we are going to make those amendments, which I hope to do, we will have them in the spring package which could be enforced before next summer under any circumstances.

**Plate-to-owner problems:** Again, we had a number of problems in implementing that. As you know, we took a great deal of time and did a lot of study in developing that system because we knew that other jurisdictions had horrendous problems. In fact, I think one state in the United States got into such a mess that they had to throw the whole thing out, start over again and go back to the old system. We have not had those problems, but we have had some.

Some of the problems were magnified because at the same time we were implementing the system, we were moving the whole driver and vehicle control centre to Kingston. The disruptions created by the physical move to Kingston, the change in staff, recruiting and training new staff to Kingston, all added to the problems. I

think our backlogs are getting pretty well caught up now. Technical people can answer any detailed questions you may have when we get to that vote. I have a lot of information here which I will not take the time to read into the record.

One of the problems we have had is with refunds. We had about 3,000 refunds a year under the old system when a person did away with his car and got a refund. We did not think there would be any refunds of any account under this new system. You take the plates off your old car and put them on your new car and so on. Well, to our horror, I guess, we were flooded with refund requests after the new system went into effect, and we were not geared up to handle that volume of refund requests.

We are trying to educate the dealers and everybody. What was happening was the dealers wanted to have the new car nice and shiny and ready for the customer. So they bought a new set of plates and registered the new car in the fellow's name. Then the fellow brought in his old car and took his plates off as he is supposed to do. Instead of putting them on the new car, he sent those plates back and asked for a refund.

That situation, along with people doing away with second cars, people dying and so on, caused a great many extra refunds. Under the old system, a lot of them just wrote that off. The plate was on the car, they sold the car and did not ask for a refund.

Now, they sell the car and keep the plate. And what do they with this thing? They send it in for a refund. However, I think we are getting caught up on—

**Mr. Cunningham:** You will get a lot of that after the next election.

**Hon. Mr. Snow:** Pardon?

**Mr. Cunningham:** After the next election, there will be a lot of MPP plates coming back. The whole back row.

**Hon. Mr. Snow:** Yes. There will be a whole bunch over on the west side of the House.

**Mr. Cunningham:** And a large section of the second row will be asking for refunds.

**Hon. Mr. Snow:** I am glad you have not included the first row. Thank you very much.

I am just about finished; I have one more item here.

**Mr. Laughren:** Something about the licences.

**Mr. Laughren:** Special licence plates, such as the members' plates, cannot be transferred to another owner, can they?

**Hon. Mr. Snow:** Right. They are MPP plates. There is a stamp on your licence that says "nontransferable."

**Mr. Laughren:** There is an MPP who is having enormous difficulty with that right now. He is being told that his MPP plate is now officially, according to the records, in the ownership of a car dealer, although he has it on his new car.

Anyway, I will not pursue it. I was just—

**Hon. Mr. Snow:** Screwups happen from time to time in the best of regulated families. If you have a problem, I suggest you get hold of Terry Church or Dave Hunt and they will solve it for you.

**Mr. Laughren:** This MPP does not have a well-regulated family.

**Hon. Mr. Snow:** I wonder who he is?

**Mr. Samis:** Power corrupts, even in the opposition.

**Mr. Laughren:** I will not give you any names.

**Hon. Mr. Snow:** Do not give me any names. We have had some MPPs who have been driving around without licences, I understand.

**Mr. Laughren:** And some driving with licences who should not be.

**Hon. Mr. Snow:** Drinking and driving is a perpetual problem with all jurisdictions. As we go to our Canadian Conference of Motor Transport Administrators or transport ministers conferences every year, this is a matter that every place or jurisdiction is battling with. You have read about it in the paper in the last few days. There have been increases in very severe penalties in Saskatchewan. That province has brought in the law for mandatory blood tests.

At the CCMTA ministers' meeting, where all 10 ministers were present, we unanimously recommended to the federal government that the Criminal Code be changed, rather than the provinces doing it, to provide for a blood sample to be taken from a dead person or a seriously injured person who could not take a normal breathalyzer test or agree to a test. We think that is necessary.

We have recommended the creation of a new offence, rather than just impaired driving. We still have the impaired driving offence, but we would have a new offence of impaired driving causing bodily injury or death. This should go into the Criminal Code too and would obviously have a more severe penalty than just doing a little wobbly driving up the road.

However, we have to bring about a change of attitude in the general public as it relates to

drinking and driving, and I think this came out in the Premier's task force. Again, one of the recommendations we made was for a photograph on the driver's licence as a helpful tool in enforcement. It is not going to stop people from drinking, but it will certainly improve enforcement. We hope to bring this in.

I want to draw your attention to an article in the Canadian Consulting Engineer magazine. It is a brand new issue, hot off the press. On page 28, there is a major article—maybe we can get it copied and give it to you—regarding computerized traffic control for three Ontario municipalities. As we were discussing last night, these are Kitchener-Waterloo, Brantford and Guelph, and the ministry has promoted this program with those cities.

DelCan, DeLeuw, Cather Canada Ltd. were the consultants who designed these systems. Just last week, they won an award of excellence from the Association of Consulting Engineers of Canada. They were given an award by the Governor General in Ottawa last week. I was invited to be there, but could not be.

11:40 a.m.

This just came on my desk this morning. I did not have it yesterday and we were discussing it last night so I brought it over. We will make copies of that article and give it to you.

One other thing: you asked about Verglimit. This is a commercial product that was developed in Europe and is available in Ontario through a local distributor or supplier. It consists of calcium chloride plus other ingredients which are mixed into the top course of the pavement. We have been using it for three or so years now on bridge decks where icing has occurred in a patch of the adjacent roadway, where we have a situation that a bridge ices up ahead of the roadway, ahead of the normal salting.

We have been doing some testing on it. The costs are very high and at this moment we still do not know what the long-term function of the product will be. We are doing some research and testing on it but we cannot say at this moment whether it is worth the extra investment or whatever.

**Mr. Cunningham:** I happen to know the supplier personally.

**Hon. Mr. Snow:** That is interesting.

**Mr. Cunningham:** Yes, it is. I thought I would make that confession.

**Mr. Chairman:** There would not be a conflict of interest there, would there?

**Mr. Cunningham:** No, not at all. But they are good Hamilton people and they believe very strongly in the product, not just because they have the licence in Ontario.

**Hon. Mr. Snow:** I would, too, if I were selling it. I am not saying it is not good. It may be the greatest thing since sliced bread, but we have not found out yet.

**Mr. Cunningham:** We are not making that allegation either, but it seems to have had wide use in Europe. I gather that the inventor of it, who is Swiss, was motivated because some of his family passed away in a car accident on hoar ice, in the mountains. He was pretty upset about it and probably thought there was some better way to deal with it. You cannot do the whole highway, of course, but some of those more difficult spots.

We are experimenting with it in the town of Dundas, on Osler Drive. I am not entirely certain it has been a great success, but as time goes by, as they formulate the mixture a little better, it may.

**Mr. Gilbert:** Certainly bridge decks are a problem at this time of year.

**Hon. Mr. Snow:** We are doing the work on it. Within the ministry we have a new products committee which investigates all types of new products that come on the market. We are always having people coming up with new types of expansion joints, new types of lighting.

The other day, I had in a company from Hamilton that makes ceramic bricks, and they wanted to sell us ceramic bricks to put in the asphalt—white ceramic bricks that would show up at night—instead of painting white lines. I do not know where that one stands now but we had them in to meet with our new products committee. We do not know what snowploughs would do to them.

**Mr. Cunningham:** We have some great innovators, you know. There is Archie McCoy in my riding, and the old Schwenger construction people who make those light standards.

**Hon. Mr. Snow:** The ceramic company in Hamilton—

**Mr. Cunningham:** Yes, I know them.

**Hon. Mr. Snow:** I think the people who own it live in Burlington. Anyway, they were in to see me in my riding office one day and brought me one of these bricks which we turned over to our research and development department who will probably do some tests with it to see how they work.

I think, Mr. Chairman, that completes my response to the critics.

**Mr. Chairman:** Thank you, minister. I guess we still have 20 minutes or so to proceed. Maybe we should go ahead with our votes as we agreed to last night.

**Mr. Laughren:** How come Rene did not heckle the minister today?

**Mr. Piché:** He is my friend. He is the only friend I have left in Queen's Park.

**Hon. Mr. Snow:** Rene has promised me a gold brick Friday afternoon.

**Mr. Samis:** Is it true or false?

**Hon. Mr. Snow:** I will be at the opening of Detour Lake Gold Mines on Friday afternoon and Rene promised me if I come up I would get a gold brick as a souvenir. Whether it is an ounce, a pound or a ton I am not sure.

**Mr. Samis:** Yes, fool's gold.

**Hon. Mr. Snow:** Even an ounce would be very much appreciated, Rene.

**Mr. Cunningham:** Detour Lake could be healthy—and effecting deregulation, Rene, could be tiring.

**Mr. Piché:** Deregulation would be very important in this province. I do not know whether the minister agrees or not, but I do.

**Mr. Samis:** There goes Rene.

**Mr. Cunningham:** We can talk about that later.

On vote 2701, ministry administration program:

**Mr. Cunningham:** I have one very brief comment. I want to compliment the ministry in making some improvements with regard to affirmative action. This was an area in which all ministries were lagging behind. I see some determination—

**Mr. Samis:** Who are they?

**Mr. Cunningham:** We have the only woman director with us today.

**Hon. Mr. Snow:** Executive director. We have two of them.

**Mr. Cunningham:** She is an executive director. I assume she is being paid at the same level as her counterparts, one of whom has told me it is not enough. I will not mention his name but I see some improvement there.

I note the average salary, 1980-81, for women has gone from \$14,307 to \$16,454 in 1981-82. That is an increase of 15 per cent. Curiously enough, during the same period the men's average salary, which was \$20,394, has gone to

\$21,700, which is an increase of only 6.4 per cent.

I do not know whether this is a conscious effort to keep the men down and get the women up, or whether it is a more practical direction where we are determined to get women upgraded: have more candidates in the higher paid positions; retraining programs; enhanced development programs. I do not know, but it would appear that there has been some success and there is certainly an improvement in the women's share of employment within the ministry.

**Hon. Mr. Snow:** I am all in favour of women.

**Mr. Cunningham:** I had heard that but I thought that maybe we would not get into that today.

**Mr. Gilbert:** You are quite right, Mr. Cunningham, we have made a determined effort, in particular with a number of very bright women who have come into the ministry over the last number of years. They are moving up quite rapidly through the management branch.

I have to say this is not just because they are women but because they are very bright people who are making a tremendous contribution to the management of the ministry. We have some very good people coming on.

**Mr. Cunningham:** I know that I and others over the years have raised this issue, and the performance of this ministry a number of years ago was not all that hot. In some ministries it is not all that great even today, but I wanted to pay tribute to you. I think you are making an effort.

It is something we hope will continue, in particular in the context of the resolution that was passed not long ago in the House with regard to equal pay for work of equal value. It is sometimes difficult to define but I am glad to see these improvements and I wish you well as you continue.

**Mr. Samis:** I have a couple of comments, Mr. Chairman. I have three minor questions that I want to raise and that will be it for vote 2701 altogether, so we can get that one passed.

Could I just get a little more information on the activities of the bilingual co-ordinator? I read the description on page 47 of the annual report but I need a little more information.

Second, I want to express a certain concern about the speech given by the deputy minister where he said: "We must move aggressively to an even smaller, leaner, more flexible organization and staff attrition alone will not be sufficient to reduce our numbers. Thus our previous 'no layoff' policy must be discontinued."

In view of the figures given last night by the minister—how he reduced the size of the staff rather dramatically in the past five or 10 years—that creates a little bit of concern on my part.

Third, I would be interested in getting some figures on how many people have actually been transferred to Kingston. How many people are currently working there? That will be all for me on vote 2701.

**Hon. Mr. Snow:** I will let Mr. Gilbert answer that because you are referring to his speech.

**Mr. Gilbert:** When that speech was given we were faced with a surplus, in two major areas in particular. One was in construction supervision in which, because the program had gone down, a surplus had developed. Also, in the area of driver examination, I think you can appreciate that the number of drivers wanting examinations is starting to fall because of the levelling off in that area.

**11:50 a.m.**

Since that speech, we have been assisted greatly by the retirement incentive program the minister spoke about last evening. At the present time, as he said, there are 270 in both bargaining and management who are retiring. Our senior staff is assessing the impact that is going to have on the so-called surplus areas. As the minister mentioned, we have worked very hard over the years to develop a leaner, more flexible ministry.

**Mr. Samis:** That has a Reaganesque tone to it.

**Mr. Gilbert:** I do not think it has. Recognizing that technology is as it is, the size and importance of certain programs have a habit of going up and down. We need staff who are flexible, who can be moved into other parts of the ministry. The staff themselves want to see development programs so that they have opportunities to move into other parts of the ministry as priorities change.

When I say a leaner organization, I have been saying that ever since I became deputy minister which was seven years ago.

**Mr. Samis:** You are predating Ronald now you are not following him.

**Mr. Gilbert:** If Mr. Reagan happens to be saying that now, then I would say he must have got it from me.

**Mr. Samis:** Do not forget Ronnie is 73 years old. You are not claiming the same roots as he has.

**Mr. Gilbert:** All I am saying is that I have certainly been saying it for nine years.

**Mr. Samis:** He has not changed any of his ideas in 30 years. I think you are a more pragmatic person than that.

**Hon. Mr. Snow:** If they are good ideas, you do not have to change them.

**Mr. Gilbert:** It goes without saying, as the minister mentioned last night, that the results have indicated we have been able to bring our staff down to comply with our needs and we have been able to do it without layoffs. What I was saying at that particular time, however, is that I could not guarantee that in the future there would not be layoffs, in some areas in particular. We will continue, as we have in the past, to develop and train staff and, with the type of incentive programs I mentioned avoid layoffs as much as we can, but I cannot guarantee that there will not be any layoffs in the future.

With regard to the number of people who have moved to Kingston out of the group, I think I would have to ask Mark to come up and help me with that. We have a number of people who chose to—

**Hon. Mr. Snow:** We really only need two figures. How many do we have in Kingston in that operation and how many actually moved?

**Mr. Larratt-Smith:** We have 256 jobs in Kingston, of which some are currently being filled by contract staff because we are still balancing the operation and getting the volume of work load down pat before we do permanent hiring. There is also some possibility of using part-time staff in a useful way within that community setting, getting use out of them without going to full-time staff for all the positions.

I do not have an exact figure for the number of our previous staff who have moved. It is in the order of 100 people. I can get that exact figure. The rest would reflect new hires in the Kingston area.

**Mr. Gilbert:** Did you want me to speak about the French language courses?

**Mr. Samis:** Yes, briefly.

**Mr. Gilbert:** We have a statement that outlines to all staff the policy of the ministry. Mr. Ron Bourque, who is a long-time member of our ministry, is now our full-time French language co-ordinator. He is working extremely well with the various regional people to implement the policy. Although for some time we did not have a full-time co-ordinator, his work has proven very beneficial, and I think service has improved

to the French-speaking people in that area, in line with the government policy, Mr. Samis.

**Mr. Samis:** The reason I ask is that I just get the impression from that brief description on page 47—you talk about bilingual letterhead and about some pamphlets he was obviously involved with. I presume he helped with correspondence and communication with the ministry in Quebec. It seems to me that the only major activity would be the development of French-language services policy. I just wonder if I am misinterpreting it or not. Was that the major focus of his activities in the past year?

**Mr. Gilbert:** His major focus is working with our regional people in providing the service. We recognize that we are a highly decentralized ministry, so rather than just putting out a ministry directive to say, "This is what we would like to see happen," there is a need to have someone working to ensure that these things are actually happening.

**Mr. Samis:** I do commend you; in at least my part of the province, I think considerable progress has been made over the past few years. It proves, contrary to what the Premier was saying in the mid-1970s about these things not being necessary or feasible or whatever, that they are there. I think they are appreciated and the initiative is welcomed by the people in my region; and I presume it is similar in northern Ontario.

The only other question I have, the last one, is that Ontario pays \$7,200 for the parliamentary assistant. Can you give me some idea of the sort of activities our parliamentary assistant is doing to earn that \$7,200?

**Mr. Piché:** You are getting a little close to home.

**Mr. Samis:** I say this with respect. I know the close relationship that exists between the minister and his parliamentary assistant. I just want to have it in writing.

**Hon. Mr. Snow:** I have not had a parliamentary assistant for the last year and a half. I got a new one just a month or so ago.

**Mr. Laughren:** Who is it?

**Hon. Mr. Snow:** Morley Kells.

**Mr. Samis:** What are you doing with him? That is the question.

**Hon. Mr. Snow:** At this moment, Morley is just getting oriented to the ministry because he was only appointed recently, but he has been accepting a number of appointments for me when I am not able to be in two or three places

at one time. He sits in on our strategic policy committee meetings at Downsview on Monday mornings when we discuss all the forward planning and ministry policy items that are being developed and are coming up. He really does anything I ask him to do. That is about it.

**Mr. Samis:** Who writes your speeches?

**Hon. Mr. Snow:** He does not write the speeches.

**Mr. Samis:** You do not hire any of Gord Walker's crew?

**Hon. Mr. Snow:** I do not hire any outside speechwriters at all. I have never had one.

**Mr. Samis:** Good for you.

**Mr. Piché:** I should point out that the parliamentary assistant is a very important part of any ministry. He does valuable work.

**Mr. Laughren:** I think I am going to be sick.

**Mr. Piché:** The pay is not that hot, but still, working for the different ministers it is well worth it.

**Mr. Laughren:** Cut it out.

**Mr. Samis:** What a jaded opinion.

**Hon. Mr. Snow:** I am going to suggest that we should change these estimates. Since I did all the work this year and I had no parliamentary assistant except for the last couple of months, the balance of the parliamentary assistant's salary should be added to the minister's salary.

**Mr. Samis:** Do you need the bucks?

Interjections.

**Hon. Mr. Snow:** If they want to move that motion—

**Mr. Cunningham:** I missed that. I have never eaten lunch at Winston's, where the critics and the minister discuss what we should do with Morley's money—and Piché's money, too.

**Hon. Mr. Snow:** I was going to suggest a while

ago that the critics and I should go to Switzerland to investigate that Verglimit or something.

Are there any more questions on 2701?

**Mr. Samis:** No, that concludes my questions.

**Mr. Chairman:** Mr. Cunningham, any more questions on 2701?

**Mr. Cunningham:** I want to hear more about that Swiss trip.

Vote 2701 agreed to.

**Mr. Chairman:** Do you have any substantive questions under vote 2702? We do not have a great deal of time to discuss vote 2702.

**Mr. Samis:** The minister can go to cabinet and get all the money he wants?

**Mr. Chairman:** When we come back tomorrow night, we shall take your advice on that. We shall be discussing the Toronto Area Transit Operating Authority, GO Transit and the Urban Transportation Development Corp.

**Mr. Samis:** May I suggest, Mr. Chairman, in case there is any slack next Tuesday night, we start in with votes 2702 and 2703? The highways vote will be first, but in case that is wrapped up within an hour or an hour and a half, we might continue with vote 2702.

**Mr. Chairman:** Obviously, we are going to have to clean up all the votes we do not complete on the last day, which is November 15.

**Hon. Mr. Snow:** It might be as we have done in the past. Vote 2702 is really transportation technology, research and development. We usually carry that vote along with the TATO and UTDC votes, so if we deal with TATO and UTDC tomorrow night, then I think we can consider that vote 2702 is carried, unless there are some other questions.

**Mr. Chairman:** This committee is adjourned until eight o'clock tomorrow evening.

The committee adjourned at 12:01 p.m.

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**From the Ministry of Transportation and Communications:**  
 Gilbert, H. F., Deputy Minister  
 Larratt-Smith, M. H., Assistant Deputy Minister, Safety and Regulation





No. R-13

# Hansard

## Official Report of Debates

### Legislative Assembly of Ontario

#### **Standing Committee on Resources Development**

Estimates, Ministry of Transportation and Communications

**Third Session, 32nd Parliament**

Thursday, November 3, 1983

Speaker: Honourable John M. Turner

Clerk: Roderick Lewis, QC

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# LEGISLATIVE ASSEMBLY OF ONTARIO

## STANDING COMMITTEE ON RESOURCES DEVELOPMENT

Thursday, November 3, 1983

The committee met at 8:06 p.m. in room 151.

### ESTIMATES, MINISTRY OF TRANSPORTATION AND COMMUNICATIONS

(continued)

**Mr. Chairman:** Committee members, ladies and gentlemen, I recognize a quorum. We can proceed with our activities. We have Mr. Foley from the Urban Transportation Development Corp.

On vote 2702, policy planning and research program:

**Mr. Chairman:** Are there any questions of Mr. Foley?

**Mr. Cunningham:** Mr. Chairman, did we carry 2701, just to help me with my bad memory?

**Mr. Chairman:** Yes, we passed that.

**Mr. Cunningham:** We had fun doing that?

**Mr. Chairman:** Did we have fun doing it? Yes.

**Mr. Cunningham:** Does Mr. Foley have anything to say? I do not want to interrupt a film, opening statement or anything like that?

**Mr. Samis:** Did we get an opening statement last year?

**Mr. Cunningham:** We had a film the year before.

**Hon. Mr. Snow:** We are here to accommodate you people.

**Mr. Cunningham:** As always, I enjoy especially this part of the ministry's estimates. I do not know if Mr. Foley has been favoured with my generous comments with regard to how well this ministry is run. That does not apply with regard to the Urban Transportation Development Corp. in my view, although I am waiting to be convinced.

**Hon. Mr. Snow:** Eventually, Eric, we will convince you.

**Mr. Cunningham:** Then it will be 100 per cent. Of course, none of us ever got 100 per cent in school. Obviously, I am speaking for myself. I was at about 72 per cent if I really worked at it and if the teachers kind of liked me—

**Hon. Mr. Snow:** I got 100 per cent in mathematics once.

**Mr. Cunningham:** How long ago was that? You are under oath now.

**Hon. Mr. Snow:** About 40 years ago.

**Mr. Cunningham:** I was at the commencement exercises at Waterdown District High School on Friday last. They were talking about factors, subsets and relationships—I do not want to tell you what we think relationships are in Carlisle, but in my view, they have nothing to do with mathematics. But that is what they are teaching them these days. We had a couple of kids who got 98 per cent.

**Hon. Mr. Snow:** There used to be a few relationships around Lowville, the local hall a few years ago. Carlisle is a little bit further away.

**Mr. Chairman:** Ninety-eight percenters.

**Mr. Samis:** Mr. Chairman, I am not from that part of the province.

**Mr. Cunningham:** We could have a tour if you wanted but it would not be as much fun as—

**Hon. Mr. Snow:** You could take the James Snow Parkway. So why did you not go to Carlisle?

**Mr. Cunningham:** I was tied up. I was otherwise occupied.

**Mr. Chairman:** Meanwhile, back at the ranch—

**Mr. Cunningham:** You should know, Mr. Chairman, if you do not, that Lowville is a fun place. It used to be a great place to catch trout, if you knew where they were and you had the time to go there at the right time. It is still not as much fun as going to Switzerland, which was the generous offer we had at the conclusion of vote 2701.

**Hon. Mr. Snow:** The local girls used to go to Milton District High School.

**Mr. Cunningham:** Carlisle girls went to Burlington.

**Mr. Chairman:** Might I suggest, Mr. Cunningham, that you get on with something—I think we are getting ourselves rather away from the subject—

**Hon. Mr. Snow:** But we are using up time.

**Mr. Chairman:** I suggest we are getting ourselves into something that none of us really want to talk about.

**Mr. Cunningham:** Mr. Chairman, I would not want to denigrate you by calling you a newer member but you should know that this is a more pleasant introduction to this subject than we have had in probably seven or eight years.

**8.10 p.m.**

Mr. Foley, I read with interest in the *Toronto Star*—and I do not know whether you meant to say this—that you said with regard to the technology: “So what do you do with it now. I’m not so sure that UTDC has to be owned by the Ontario government. It’s a philosophical question. Has it grown past the point where it needs public involvement and should be sold.

“And if it has,” he said, “who do you sell it to? The issue of public ownership is a real question for us. It needs to be debated. I haven’t got a for sale sign hanging on the door but I am not so sure I shouldn’t.”

We went through some discussions about this in 1977 or 1978 about an alleged rumour that some consortium of Canadair and Kilmer Van Nostrand and one of the Tanenbaum boys, or whoever, were contemplating some arrangement with you. Are you contemplating selling this marvellous technology now at some point and going private, going legit?

**Mr. Foley:** Going legit?

**Hon. Mr. Snow:** I think that is a question that should be answered by the shareholder rather than the creditor.

**Mr. Cunningham:** He is the one who made the statement to Elaine Carey in the *Toronto Star*. I would like to hear his view on it.

**Mr. Foley:** The question was asked of me about the need for government involvement and I expressed—perhaps not exactly as was quoted there—reasonable statements that said that the corporation had grown, had achieved a number of sales, that it was operating on the revenues derived from those sales and was generating elements of profit that could be considered in the future to be self-sustaining; that the question of whether the government owns the equity on a 100 per cent basis or not is an issue for government, for public debate, and perhaps it should be debated but that it was a valid question.

**Mr. Cunningham:** I think it is and I commend you for your candor to Miss or Mrs. Carey.

In the time since we met and the time that we had the last estimates, you have, as you say in your annual report, which you call point 15:

“Subsequent event on February 28, 1983: The corporation entered into an agreement with

Hawker Siddeley Canada Inc. to form a corporation to manufacture transit vehicles. The new entity, which will be owned 80 per cent by the corporation, will purchase, effective January 3, 1984, the majority assets of Canadian Car division of Hawker Siddeley, as well as all the shares of VentureTrans Manufacturing Inc.”—in brackets it says VentureTrans.

“The Canadian Car division’s assets will be purchased for approximately \$9 million, of which \$2.5 million will be in the form of participating preferred shares and 6.5 in the form of debt to be guaranteed by the corporation. The shares of VentureTrans will be purchased for \$10.5 million, less amounts owing to the corporation by VentureTrans on closing which will not exceed \$9.7 million.”

I can appreciate why, during the course of our last estimates which were the last couple of weeks in November last year, you would not be as candid with us as you were with Ms. Carey, when you talked about what I would characterize as divestiture; but why, if that is in the back of your mind, would not we have sold the technology in the company to Hawker Siddeley, rather than us take 80 per cent of the Can-Car plant in Thunder Bay?

**Mr. Foley:** Perhaps on a continuation of the philosophical note, the expression that follows that statement you read to me in the article of the *Toronto Star*, the question that followed was: “But then who would you sell it to and what would be the valuation?” There is no clearer indication in my mind that the British-owned corporation called Hawker Siddeley would be prepared to invest or had the funds to invest sufficient funds to pay the government and the taxpayers of Ontario what they might otherwise receive. So I do not know why Hawker Siddeley would be the only bidder or even a preferred bidder.

**Mr. Cunningham:** I would ask you then, by way of a supplementary question related to it: If not Hawker Siddeley, who?

**Mr. Foley:** That is a good question.

**Mr. Cunningham:** In other words, if we did hang a sign on your door or we put a small ad in the *Globe and Mail* in the Report on Business or in the transportation section—

**Hon. Mr. Snow:** Or the *Burlington Gazette*.

**Mr. Cunningham:** Where? The *Burlington Gazette*? Whatever you want—the Milton Chamber. I couldn’t care less. Who would buy it? Have we, by virtue of our financial commitment, put ourselves in a situation where we are

the only ones who can afford it and we are the only ones interested in it?

**Mr. Foley:** No; again, speaking on a straightforward, philosophical basis, because the decision has to be made at some point in the future as to whether government will continue to own 100 per cent or not, at some point you ask yourselves about the ability to deal with an equity like this in the Canadian capital market.

It can be, as a straight theoretical statement, it can be distributed by selling shares on a capital market and underwriting. It can be done on a private placement basis with one or more, half a dozen or a dozen private sector holders.

**Mr. Cunningham:** I would endorse that. That would be the litmus test for, I guess, what we fairly characterize as a difference of opinion between you and me on the liability of your technology and what we each would define as success.

That would be the litmus test, if you put a notice in the *Globe and Mail*, of course with the permission of the primary shareholder or the only shareholder, if you indicated that we will accept half interest or a significant joint venture or public participation on a shared basis; I think that would be the litmus test. I would encourage that.

It would be a reasonable idea. It would minimize the risk that I see we have, should any or all of these projects that are currently under way not be successful, should one of the individual municipalities that we have contracted with choose to exercise a performance bond on us.

I do not have a dialectical hangup on crown corporations. We had a little discussion in the House this afternoon on a resolution of mine. It is not a dialectical thing. I want to see a little more control because I do not want to see a situation, two, three or five years from now, where we are into the kind of acrimony we see in British Columbia.

I support the notion of restraint. I cannot be critical of the Premier (Mr. Davis) in his desire to see that become a reality. But the way that it is effected bothers me. I am glad that in Ontario we do not have, at least right now, that kind of acrimony we see in British Columbia. I really despair. I am sure you spend more time out there than I do. It is a lovely province geographically, but that push and pull, that vast radical difference of philosophies, is an awful thing.

One of the things I quoted when we were talking about my resolution this afternoon which, unfortunately, was blocked—but I do not fault

the people who blocked it for doing what they wanted to do. One of the things I mentioned was that pre-1945, World War II, for every person over 65 we had nine people working. We had nine people working in the private sector to support a person who would be on pension. Today, that figure is three. One of those three people is involved in government activity, whereas in 1945 it was one and a half.

The point I am making to you is that when we contemplate restraint it is just not a matter of saying, "Okay, Kirk, this is it. It is five per cent for you this year. It is five per cent for the members. It is four point something for somebody else and that is the law of the land." That is very superficial, in my view. That is just scratching the surface. It ignores the thing that we have to do.

I will be complimentary and objective here in your presence, as I believe I have been in the presence of the deputy and his staff and the minister. I compliment the ministry. I think they run a tight ship, with the exception of this little thing here. Invariably, they come in on budget. It is, as was demonstrated to us the other night, as close to self-sustaining as it possibly could be. Maybe less than half a per cent off annually in being self-sustaining. I wish it were so for every ministry.

The difficulty that I see we have as legislators is that we have to make a greater effort to make the Legislature more responsible and, therefore, make us more accountable for our actions.

**8.20 p.m.**

There may be a very serious difference of philosophy with my other colleagues in the Legislature on this subject, but I would say to you that the Legislature and Parliament are becoming increasingly less relevant. We can have a two-and-a-half-hour discussion here, which in the past has been acrimonious. It will not be tonight because I, for one, just do not care to do that and I do not think you do, and it is not constructive. I suppose it was not constructive in those days when we were acrimonious, but it was on channel 9 or channel 11 or *Metro Morning*, or even occasionally in the *Toronto Star*, where we did not even run into each other.

It bothers me a bit that I read in the paper that on February 28 you entered into an agreement and the agreement costs money. Your shareholder, smoking his pipe there, is responsible; he is accountable for it. I guess that must satisfy me. I guess that is the process, but the Legislature had no say in that at all.

I used to criticize you for travelling to the

extent that you did, and I will not ask you where you have been this year, although if you want to tell me, I will listen.

**Hon. Mr. Snow:** I will be glad to.

**Mr. Cunningham:** Mark that down and when I am finished rambling I would love to hear it, because I am jealous.

**Mr. Samis:** Eric is on a roll today.

**Mr. Cunningham:** I see we enter into all these contracts and I would not want to say, because it would be unfair to suggest this, that there is a parallel to Ontario Hydro or to certain situations that exist at the federal level where someday we will wake up and we say: "How did we ever get in this mess? Did somebody just push a button or sign two contracts that saw us on the down side of all of these events? How did we ever get here?"

How did we get to the stage with Hydro where we have 50 per cent over-generating capacity or thereabouts, and are having the extent of financial difficulties that we are with that utility, even though it is professed to be the best in the world? It may well be or it may well have the safest record. I am not sufficiently qualified to say that it does or does not. How did we get there?

I draw an analogy here. We have a contract that I would like to see and I would like to be given pertaining to your California contract. We have a contract in Detroit. Scarborough would not dare go after us. I am certain that if we had any malfeasance in Scarborough that they just would not dare, by virtue of who runs Scarborough, that is, the Toronto Transit Commission, and who runs it. I do not anticipate we would have contractual difficulties there, but we could in Vancouver. There are three that come to mind.

What is the downside of our obligations there? I do not question your right to go out and sell. Frankly, I admire your capabilities, especially with what I think is questionable technology. What potential risk do we have down the line with this? To what extent are we exposing ourselves should your technology fail?

I have a little history lesson here. I do not need to give it to you because you were part of the creation of the company. The company's mandate never included the manufacturing and distribution of the equipment. This is on the record so many times it is hardly worthy of going over it.

**Hon. Mr. Snow:** Mandates change from time to time.

**Mr. Cunningham:** They do, but it seems to me to be a self-fulfilling prophesy. We started a company—and I was very interested to read the debate on second reading when Mr. Carton, I believe, was minister, which indicated what the general purpose of the company was to have been.

If I had been here and I had had the honour of being part of my caucus at the time, as somebody who characterizes himself as pro-transit, I would have said: "I think this is a good idea. I think it is worthy of support." I would have urged that we support it.

I had the brochure. I do not think I have got it handy but we were supposed to have 45 to 60 employees. We were to serve as a catalyst with the private sector. We were to help in some research and development. I cannot recall whether we were to help with marketing within Ontario. I cannot recall if that was included in the brochure or whether it was part of the second reading debate. I think it was.

If we had done that and we had stuck to that, I do not think we would be in the quandary that I perceive we are in today. I do not think you would have found yourself saying to Elaine Carey: "What do we do with it now? Has it grown past the point where public involvement should be served? Who would buy it? Or, rather, who would you sell it to?"

I probably would not have made the kind of negative, almost pernicious comments that I have made over the years with the public interest in mind, at least in my opinion.

I do not think you would have found yourself in the situation where we would have gone off on a flyer on technology that you are discarding. I do not think we would have found ourselves 80 per cent owners of the Cancar plant at Thunder Bay. We probably would have been leading—through whatever the ministry would have been called at the time, Industry and Trade or whatever—marketing programs abroad.

You should know that I have a lot of constituents who think very highly of that ministry, who go on these trade ventures and come back with sales and they think it is a hot ticket. I have some guys who not only think it is fun to go but also think it is more fun when they get back and start selling things. They have some confidence.

If we had done that, I think we might have been selling their version of the streetcar. We might have been selling their light rail vehicles, their subway cars—

**Hon. Mr. Snow:** Whose?

**Mr. Cunningham:** Hawker Siddeley's. Because, we all realize that a lot of their component parts are made here.

The minister made a good point the other night, and it one that I have always been aware of; that is, even when Bombardier sells things it is great for us because a lot of the component parts are made in municipalities throughout Ontario. So it is good for us; it is good for us as Ontarians and it is good for us as Canadians.

If we had done that, I believe we would not be in the situation where we are at risk today, where a lot of major projects have been delayed or the cost of them has gone up significantly, and where you find yourself soul-searching—that is the only way I would characterize it—in the *Toronto Star* about the issue of public ownership and what you do with this thing.

As we got further into this, both in discussions at your test track in the 1970s and during consideration of every estimates thereafter, we found ourselves asking why you have gone beyond what was originally your mandate. The traditional answer that we got progressively year by year was: "We have technology that nobody else has. We have a product that no one else has and we are fortunate to have that." That became the *raison d'être*, in my view, for perpetuating and expanding this company to the extent that we have.

In the past year and a half, the premonitions I have had, which are a matter of record—they are in Hansard, they are in public print and they are in submissions I have put out—are that the unique selling points, if I can use a word that might have been common to either of us at university and marketing courses or Procter and Gamble or whatever, these unique selling points of the product you have do not seem to be such a hot ticket any more.

You find yourself, in Canada and in what probably has to be our best source of sales, the United States, with a product that is still unproven—I believe it is unproven at your test track—with a product that is expensive, with a product that Mr. Abrams from the US Urban Mass Transportation Administration characterizes as terribly complicated and not well designed, and with a lot of taxpayers' money put into it.

Where have we gone from there? We have competed with Hawker Siddeley and have missed the marketing opportunities and the leadership that I believe—and I mean this sincerely—you as an individual, if you have been part of it, and the Ministry of Industry and Trade, if that is what it was called in those days, should have

shown. We missed opportunities where we could have corrected what I perceive was a Hawker Siddeley deficiency.

I never saw too many deficiencies in their product—just the odd thing—but if there is a deficiency, it is like a couple of little companies in my area that I just wish could market a little better because they have got a good product. If you pushed a little harder and expanded your horizons as well as hustling a bit, which seems to be one of your main character attributes, they would have been a lot better off. Instead of being a company that won the odd subway contract here and there, primarily to the Toronto Transit Commission and GO Transit, they could have expanded their horizons tremendously.

**8:30 p.m.**

Who would have won? The citizens of Thunder Bay would have been winners. We would have had a lot more people employed up there, and I am reliably advised that you have indicated for the public record that we cannot expect more than 350 or 400 people to be employed in that facility. We have some dislocation in our steel plants too; so I do not blame your involvement necessarily, but I think you are part of it. But Hawker Siddeley would have won, the shareholders would have won. And the Treasurer of Ontario would have won, of course, because he never loses.

**Hon. Mr. Snow:** Well, why didn't they do this?

**Mr. Cunningham:** It is not just a matter of why they didn't do it.

**Hon. Mr. Snow:** I ask you, why didn't they do it?

**Mr. Cunningham:** Why didn't we all do it? Why didn't we as a province do what our original mandate said we should do and not manufacture, not compete, not bid on the Buffalo bid, not chase after them internationally. Why did we not do what we said we would do?

**Hon. Mr. Snow:** Sit and do nothing, in other words, is what you are suggesting.

**Mr. Cunningham:** No, I am not saying that. I have just described very clearly what we should have done. Maybe we should have gone in and said, "Let's help you push this product domestically in Ontario."

**Hon. Mr. Snow:** You can't push a wheelbarrow uphill with a rope.

**Mr. Cunningham:** That denigrates the nature of the product, and I think they have a good product; and if they had not had a good product,

the TTC would not have bought it over the years, you would not have authorized its purchase for GO and they probably would not have had the independent sales they had abroad, although they were not as extensive as any of us would have preferred.

**Hon. Mr. Snow:** The only reason they built the cars for GO is that we worked with them to design that car for GO.

**Mr. Cunningham:** I have no aversion to that. That was all in keeping with your original mandate.

**Hon. Mr. Snow:** The Urban Transportation Development Corp. had nothing to do with that.

**Mr. Cunningham:** That makes it even better. We should mark that down and underline it. I would have preferred to have seen the credit go to the UTDC on that.

**Hon. Mr. Snow:** I will not let UTDC take credit if they do not deserve it.

**Mr. Cunningham:** I am beginning to see the signs of a sign—

**Hon. Mr. Snow:** They have got a lot of credit that is due to them, but you are the only one who does not recognize that.

**Mr. Cunningham:** I am not the only one. A senior former official of the US Urban Mass Transportation Administration, now retired, said: "There is no interest here in the United States for it at all; nobody is asking for bids on it. It is terribly complicated and not well designed. No one is going into these unproven things, because they are too elaborate." I do not regard that as one of the most overwhelming endorsements I have seen.

But I have made my point, I guess. I am not happy about this event with Hawker Siddeley; I am really not. I am not happy to see a situation where we now have double the manufacturing capacity that we require, in my opinion—and I have been wrong before, maybe as much as you; not as much as you, or I would have had more money than you.

**Hon. Mr. Snow:** You mean I got it by being wrong?

**Mr. Cunningham:** No, you got it by being right. Politics is the biggest mistake you probably ever made.

**Hon. Mr. Snow:** I got it by being an entrepreneur and doing things that people told me I was crazy to do. It does not bother me when you tell

me I am crazy, because people have been telling me that for years—

**Mr. Cunningham:** I have never said that.

**Hon. Mr. Snow:** —but I keep being successful.

**Mr. Cunningham:** I don't know. At any rate, we have now got double the manufacturing capacity that we should have during a market era that frankly is pretty flat. It is flat domestically, and it is not particularly encouraging in the United States.

**Hon. Mr. Snow:** I don't say it is very flat. We have \$1.5 billion in business on the books right now, including a \$50-million order in the past month. That is pretty big business.

**Mr. Cunningham:** I would like to see the contract for it. You say you have the order. I do not doubt it, because when you say you have an order, invariably you do.

A lot of statements have been made about this company over the years. I will not bore you with the developments that have not taken place, but we have had a joint venture announced in the early 1970s with Alberta that did not happen, three days later a joint venture with McDonnell Douglas that did not happen and a lot of talk about various success stories all over the world that just did not materialize.

We have seen situations such as in Scarborough where the price of a conventional system has gone from \$103 million to how much? Who will answer that question?

**Mr. Gilbert:** It's \$196 million in total.

**Mr. Cunningham:** Are we guaranteed that?

**Mr. Gilbert:** When you say "guaranteed," you know as well as I do that, as with any engineering facility, you can still run into situations. Certainly on the basis of what the Toronto Transit Commission has been able to supply—here I go back to the fact that the Urban Transportation Development Corp. has supplied the rolling stock but, as far as the infrastructure is concerned, the TTC has always stated it wanted to do that. That is the way it has been done.

Of the work we have done of late—as the minister said in his letter of November 1 to you—\$196 million is the figure we have come up with, keeping in mind, as you say, that we started with \$103 million, which was an estimate that the TTC stressed was its preliminary estimate on that.

**Hon. Mr. Snow:** That was about five years ago.

**Mr. Cunningham:** No, not that long ago.

**Mr. Gilbert:** Based on staging—and I stress that—the protection of it, providing a private right of way, no grade separations and things like that, they came up with \$181 million as the detailed estimate, which has now gone to \$196 million. As I say, I do not think an eight per cent rise from \$181 million—the figure the TTC put forward as its detailed estimate—to \$196 million cannot be defended.

**Mr. Cunningham:** If we had originally gone with the conventional system, as the staff had preferred, the cost would have been within eight to 10 per cent of \$103 million and it would be operational imminently.

**Mr. Gilbert:** I would disagree with you on the \$103 million. I would also point out to you that, based on the increase that has taken place in the ridership projections, you would have been into building grade separations and protecting the private right of way even before the thing was built.

**Hon. Mr. Snow:** Scarborough was not prepared to accept the system without grade separations.

**Mr. Cunningham:** It was a system that I thought would have been valuable, and it was preferred by the planning technicians and TTC staff. It probably would have been operational now.

I see now by this letter that what was to have started by May 1984, at the latest, will now be starting in the spring of 1985.

**Mr. Gilbert:** You will note in that same letter that the TTC states it never said it would be starting in May 1984. It also points out from an operational point of view that it does not want to start a new system in the fall of 1984 because of the problems involved in opening any system. It went through that with the opening of the Spadina subway in the fall.

From an operational point of view, it does not want to open another one in the fall of the year, whether it be an intermediate capacity transit system, light rail vehicles, subway or whatever it is. From an operational point of view, it does not like to open them in the fall of the year.

**Mr. Cunningham:** What is the problem? Do people not ride them in the fall?

**Mr. Gilbert:** No. They run into problems with the weather in the winter. They ran into that with the Spadina subway. They ran into a lot of difficulties starting it in the fall of the year, even though they had undergone a test period before opening it. There are always breakdown problems in a total system like that.

**Mr. Cunningham:** One of the best construction companies in Ontario, and certainly one of the best in Hamilton, is Pigott Construction Ltd. They are going to build our twin Burlington Skyway in Hamilton. I have to ball-park the figure because my memory is not as good as the minister's, but it is \$37 million and change. Is that not correct?

**Hon. Mr. Snow:** Yes, almost \$38 million.

8:40 p.m.

**Mr. Cunningham:** What happens if they come back to us and say they need more?

**Mr. Gilbert:** There is a major difference there. What they were bidding on is a single structure. Even though it is a \$37-million structure, there are firm items, which are all tied down, and they were asked to bid on the specific items.

What one has on the Scarborough line is a system that involves rolling stock, infrastructure and the control system, with all of that going together to provide a system. Really and truly, Mr. Cunningham, it is comparing apples and oranges to compare one structure, the Burlington Skyway, to a total system that involves the rolling stock and the control of that.

**Mr. Cunningham:** I was not comparing. I just asked what would happen to Mr. Pigott if he goes over.

**Hon. Mr. Snow:** I was in the construction business for 25 years; so I know a little about it. One is bidding on a defined product, a fully designed system.

**Mr. Cunningham:** What happens to Mr. Pigott if he goes over?

**Hon. Mr. Snow:** He has a contract. If there is something in his contract which our ministry causes by way of change orders, faulty design or whatever it could be—

**Mr. Haggerty:** Then it is cost-plus.

**Hon. Mr. Snow:** Pardon?

**Mr. Haggerty:** It would probably end up as cost-plus.

**Hon. Mr. Snow:** Please do not be stupid.

**Mr. Haggerty:** It will end up with a contract that is wide open.

**Mr. Cunningham:** I don't believe that will be the case. But that's—

**Hon. Mr. Snow:** Just a minute. What are you saying?

**Mr. Haggerty:** I am saying that if you make a mistake in engineering, that usually ends up in

the contract as a cost-plus when there are revisions to be made.

**Hon. Mr. Snow:** I have never heard of that before. But you may know a lot more about construction than I do.

**Mr. Haggerty:** It is so in the structural business; I know that.

**Hon. Mr. Snow:** I do not think you know very much, myself. However, you can have change orders. I do not think I have ever entered into a contract yet to complete a building or anything else where you did not have change orders. Where the owner comes along and wants to change something in the contract, you do it by way of a change order.

In any contract, the dollar bid does not necessarily end up as the final dollar paid. When we are talking about the Scarborough rapid transit system, we are talking about a system that was estimated by the TTC prior to any contract being awarded. They have now called dozens of contracts to build stations, grading, retaining walls, trackage, elevated structures and all the things that end up getting put together into the total system. The contract for the cars, the rolling stock, is a fixed sum contract with UTDC.

**Mr. Cunningham:** I had better start asking my questions.

**Mr. Chairman:** You have some questions?

**Mr. Cunningham:** Yes, I do. Did you think I did not?

**Mr. Chairman:** I thought you were just leading up to Mr. Samis's questions.

**Mr. Cunningham:** He has his own, I think. Let us start dealing with the Vancouver project right now. The new minister, Grace McCarthy, has announced—Grace was re-elected.

**Mr. Samis:** They all were.

**Mr. Cunningham:** They all were. Grace has announced that the new price tag—

**Hon. Mr. Snow:** All but the New Democratic Party.

**Mr. Cunningham:** If they had Liberals, they would have more balance.

**Hon. Mr. Snow:** The Liberal caucus has a pretty full meeting out there.

**Mr. Samis:** They can't find a phone booth to hold them.

**Mr. Cunningham:** The nice thing about it is that with those Socreds—I was out there, if I could digress for half a second, and I went through what they call the icky-bicky, the

ICBC, the Insurance Corp. of British Columbia, which is the insurance system they have there. For all the bitching and screaming the Socreds do, they never get rid of it when they are in power. I will rest my case on that. We will not get into socialist insurance discussions.

**Mr. Samis:** That does not sound like a Liberal statement to me.

**Mr. Cunningham:** No, it does not. Of course, a former Liberal ran it.

**Mr. Samis:** Are you knocking this guy for expanding on his mandate and government involvement?

**Mr. Cunningham:** A former Liberal ran it, but we will not get into that either.

Grace says the new price tag on this Vancouver system, which I am so enthusiastic about, is \$854.4 million. Is that correct?

**Mr. Foley:** Correct that she said that?

**Mr. Cunningham:** Is that the correct figure?

**Hon. Mr. Snow:** Yes, she said that.

**Mr. Cunningham:** She did say that?

**Mr. Foley:** Yes, she did say that.

**Mr. Cunningham:** I read it in the paper; so it had to be.

**Mr. Chairman:** It had to be correct.

**Mr. Cunningham:** We are agreed on that. Now what do you say?

**Mr. Foley:** I say that is an estimate that at the present time includes a \$41-million contingency. It includes our estimates on what we call a control budget, that the project will not exceed that amount of money.

**Mr. Cunningham:** How much is there for that? I am not an accountant; I do not understand what he is saying. There is \$41 million for contingency. How much is there for this control budget?

**Mr. Foley:** That \$854 million includes an amount in each of those estimates for what we call a control budget, which is usually an estimate we add to each of our individual contracts. That contract is a 21-kilometre system that is broken down into about 12 sections. Each of those sections may have 20 or 30 contracts of various construction items on guideway stations, foundation, drainage and so on.

Our experience to date is that the contracts the fixed-price tenders, coming from the construction companies are running somewhere between 10 and 20 per cent under that control budget. So it may well be that the cost of the

program is considerably less than \$854 million when it is completed.

**Mr. Cunningham:** So Grace is all wet.

**Mr. Foley:** No, Grace is not all wet. Grace has made an estimate that is our estimate, in effect, that this will be the total indicated cost complete, including a contingency that says we do not know a lot of the things we may experience when we have to drill a foundation. For example, we may find a 48-inch sewer that somebody said was supposed to be three feet to the right but is right in the middle of a foundation. So we have contingencies.

We do not know if the construction labour agreements that come up in 1984-85 may take an increase higher than we predicted because the settlement will be greater. We do not know that the cost of the Canadian dollar will be 81 cents in United States terms next year, and we recognize that a certain amount of the goods are imported. We do not know a number of things that relate to construction costs, so we keep contingencies in that \$854 million—all those contingencies, all those estimates—and the minister has a right to receive from us periodically an estimate of what we think would be the total cost to complete.

**Mr. Cunningham:** What do you think that figure is now?

**Mr. Foley:** The estimate we gave some months ago was that the project will not exceed \$854 million, and it is likely to be considerably less than that. But if you ask me to predict that, I cannot do it.

**Mr. Cunningham:** It would be unfair to do that, and I have never been unfair. What was the original cost of the contract?

**Mr. Foley:** The original number that was included was \$720 million, excluding a number of changes that have been made to the contract since the time it was started.

**Mr. Cunningham:** Fair changes?

**Mr. Foley:** Fair changes, most of them, yes.

**Mr. Cunningham:** Most of them?

**Mr. Foley:** We say \$30 million of it is sales tax. Originally, when we signed the contract, the government was not going to charge itself sales tax, which was similar to the situation in Scarborough.

**Hon. Mr. Snow:** And the TTC.

**Mr. Foley:** And the TTC. Since that time, the provincial Treasurer (Mr. Grossman) has put in a budget that says provincial projects will be

charged sales tax, so \$30 million of the increase is it paying itself sales tax.

**Mr. Cunningham:** Why would they do that to you?

**Mr. Foley:** Because it is their policy. It was decided to charge tax on projects.

**Hon. Mr. Snow:** We did that.

**Mr. Cunningham:** Yes, but you are doing that to yourself. I don't mind that.

**Mr. Foley:** They do it to all projects.

**Mr. Cunningham:** I don't mind when you do that to yourself.

**Hon. Mr. Snow:** They did it to themselves.

**Mr. Cunningham:** Because it is all one taxpayer's pocket, particularly when we are in Ontario; it is just us guys here.

**Mr. Foley:** They did not say anything to us. They said when the province of British Columbia funds a project through the municipalities, any one of its agencies or the ministries, it will expect the contractors who are involved in that to charge the agency, provincial ministry or whatever, sales tax. Our contracts are always written so that if the government changes the tax structure, sales tax or excise tax or duties, those costs are to be charged to the ministry.

**Mr. Cunningham:** So they are paying that. They are paying themselves.

**Mr. Foley:** Yes. If I might, just to answer one of the earlier questions and to throw some light on this, we do not contract the total package on the ICTS on a fixed-price basis. We break the contract down into two prices. There are those items we know about and have a strong definition of, where we can determine exactly what is being said, such as vehicles, train control systems, power systems and so forth. They are all priced on a fixed-price basis and they do not change.

The other prices are design costs. For instance, when a municipality or the province decides to build the system it usually does not have a complete, precise definition of the alignment because it has not procured the property, it has not done all the site surveys, it has not done all the soil surveys, it has not done a lot of the detailed design work that the Ministry of Transportation and Communications here does before it awards a construction tender for a highway or bridge.

In the process of doing the design, the client always has to reserve the right to alter the alignment, to change where it will be, either

horizontally or vertically. In that process, costs can change. So that is a cost reimbursement.

8:50 p.m.

**Hon. Mr. Snow:** That did happen in British Columbia.

**Mr. Foley:** It did happen in British Columbia.

**Mr. Cunningham:** Okay. So we are talking \$30 million now on top of the \$720 million or \$718 million or whatever it was. That takes us up to \$750 million or \$748 million, whatever. We are still \$100 million apart. How much of that \$100 million is your design change and how much is theirs?

**Mr. Foley:** That is not a question that can be answered. I do not mean to be argumentative, but, for instance, let us suggest that the stadium, which is now built and is ready for the current Grey Cup game, sits in front of the portal of the tunnel that was to be used. They have now decided that the alignment ought to change, so we now have to do about 1,000 feet of excavation to realign the tunnel entrance. In the process, they also decided they wanted extra tracks alongside the stadium for faster evacuation of the stadium and that particular area.

We were asked at the time to make estimates of what that relocation would cost. Of course, we did not have any soils data or any data on what was actually in that tunnel as to whether it needed grouting, for instance. As we got into it and after we did some bore holes in the tunnel, we found there were voids in the tunnel, so there was about a \$3-million or \$4-million contract that had to be provided to fill the voids in the tunnel with grout.

**Hon. Mr. Snow:** That tunnel was built 20 years ago.

**Mr. Foley:** That is an estimate that was—

**Mr. Cunningham:** No, you are describing to me things that I think would be client oriented.

**Mr. Foley:** No, I do not agree with you. We were asked to make an estimate for them at the time that we knew we had to relocate the tunnel portal. We made an estimate, and the actuals that we are now predicting are greater than that estimate. So the client asked for the change, but the estimate was made by our engineers in consultation with consulting engineers who were under contract to us. The estimate on that particular piece of 1,000 feet may be 10 to 15 per cent higher than would have been estimated in 1981. The question now is, is that a UTDC or UTDC contractor's change or is it a client change? It is impossible to determine.

**Mr. Cunningham:** That is my next question, because obviously, from what I read in the press, there are disputes. What is the process? There is legitimate disagreement between you and Grace, or Grace and Jimmy, or Grace and Bill—Bill Davis, that is.

**Mr. Foley:** I think you are wrong. I think there are no disputes between Grace and me. I think the situation arises, if I could complete my earlier statement, that there were three types of contracts. The design contract is a cost-reimbursable contract with what is called a fixed fee; that is, they can keep us designing on whatever alignment they want us to design on virtually forever, because all they do is pay us a fee and we become a design contractor for them.

In the construction phase we make estimates and we say that our estimate will be reliable within a certain range. We actually take an incentive fee structure so that our fee will fall or grow depending upon how accurate our estimates are.

The issue that comes up in any contract with an incentive fee structure is to determine the nature of the fee that will be applied to the change. Of course, our consulting engineers, who are private sector companies under contract, will argue extensively that they are entitled to full fee because that change was not related to them. We will argue sometimes that they are not entitled to full fee; at other times we will argue with our client that yes, we are entitled to that full fee. But there is an incentive fee structure.

**Mr. Cunningham:** How is it resolved when there is a dispute?

**Mr. Foley:** It is resolved according to the contract. A referee is appointed and he is appointed at the beginning of the contract. These are submitted to him, he determines it and we go on and complete the contract.

**Mr. Cunningham:** Can we talk about your guideways? I have heard some terrible stories about cracks in them. Of course, there are cracks in all guideways, but are they serious deficiencies?

**Mr. Foley:** No.

**Mr. Cunningham:** End of answer? How many significant cracks do you have? Do you have a concern about them?

**Mr. Foley:** No.

**Mr. Cunningham:** Do you want to elaborate on it?

**Mr. Foley:** I can elaborate. There is an integrated crosshead. I do not know whether that is understandable, but the crosshead is integrated into the beam, and the stress conditions that are designed into a beam to carry the loads are what we call a cantilevered load over two beams—actually over two sections but three columns. The reinforcing steel is designed to hold the crosshead together and it does, and at that point where we have the crosshead totally integrated into the beam we get cosmetic caulking that runs down the surface of the crosshead.

**Mr. Cunningham:** So you are satisfied it is just cosmetic.

**Mr. Foley:** Yes. The issue, first of all, was studied by the original designers, which are construction engineering companies—again private firms. We also undertook to have a second evaluation done, for obvious reasons of assurance. We then undertook to have it examined by university professors who are experts in civil engineering, again for positive assurance, and we have conducted load tests and operational tests on them. As we went through testing all elements of it the conclusions have continued to be the same, that there is no structural issue at stake at all.

**Mr. Cunningham:** You were not concerned there would be a harmonic deficiency when we went into revenue service?

**Mr. Foley:** No.

**Mr. Cunningham:** That is great. How are we doing with the initial schedule?

**Mr. Foley:** The initial schedule was to complete the project by December 31, 1985. Our intention is to complete it by then and we are pretty much on schedule.

**Mr. Cunningham:** The schedule for delivery of vehicles—no problems?

**Mr. Foley:** I do not understand the question.

**Mr. Cunningham:** What we originally contracted for is what they are delivering?

**Mr. Foley:** Oh yes, the vehicles will be delivered on schedule.

**Mr. Cunningham:** The same product that we contracted for?

**Mr. Foley:** Yes. Oh, they changed the seats. They had a different seat layout from that originally planned. But these changes are constant things. The Toronto Transit Commission does the same. A lot of operators would look at different seat layouts. We probably changed

other things relating to the interior and locations.

**Mr. Cunningham:** Why?

**Mr. Foley:** For one reason or another. Either it was more efficient or it meant cost savings and they saw that in the maintenance or other practices. For instance, they are still defining their communications program with respect to how they will handle television surveillance and so on. There was a question in their mind as to whether they should have an automatic sign on board the vehicle that would tell where the train is headed in case they do short turns, for example, or if it was an express train. All of that means changes in onboard wiring and—

**Mr. Cunningham:** It is still automated?

**Mr. Foley:** Yes.

**Mr. Cunningham:** What happens if it breaks down? How does it get started again?

**Mr. Foley:** I do not understand what you mean. If a vehicle comes to a stop?

**Mr. Cunningham:** What happens in Kingston when the train is whizzing around the track and it stops? Who starts it again?

**Mr. Foley:** In Kingston, test vehicles 2 and 3 now have an automatic restart on them, but the production vehicles do not.

**Mr. Cunningham:** How do you get at them?

**Mr. Foley:** You do it through the computer.

**Mr. Cunningham:** Automatically?

**Mr. Foley:** Yes. There is a point at which the computer will not restart it, so the following train on the system will cover that vehicle.

**Mr. Cunningham:** And start it?

**Mr. Foley:** It will start it manually or it will do what any transit system will do—push it in to the next station and put it into the maintenance facility. It is the same way one recovers a streetcar or a subway train on a track.

**Mr. Cunningham:** Do you have some concerns about social problems that would result from an unattended system?

**Mr. Foley:** I have spent a lot of time both here and in Vancouver talking about the difference between a driverless transit system and an unpeopled transit system. We do not have any "unpeopled" transit systems. The strategy Vancouver is employing is to have inspectors, attendants or station people to ride the trains.

The TTC uses a system employing the little yellow tape you have seen. That is fundamentally to allow a vehicle to get to the next station and warn the station attendant and the supervi-

sors that there is a problem on board a particular car on a particular train.

There is voice communication to each of those cars so that a supervisor can be advised about an ill passenger or whatever the problem is and the problem can be attended to. An emergency crew with respirators or the police department—whatever group is required depending on the nature of the emergency—can be at the site of the station when the train arrives or shortly after. There is the ability to have early contact to provide emergency services. The fact that the driver is not pushing the gas pedal or the brake is of little consequence to that individual passenger or individual situation.

9 p.m.

**Mr. Cunningham:** There would be a button of some sort on the vehicle?

**Mr. Foley:** It is a tape, exactly the same as in the Toronto Transit Commission—the tape strip.

**Mr. Cunningham:** That is common to your Detroit system as well?

**Mr. Foley:** I am just trying to recall. I think so, yes.

**Mr. Cunningham:** I would hope so.

**Mr. Foley:** It is a question of whether the customer wants that type of service operation or not. You have to meet the customer's requirements.

**Mr. Cunningham:** Can you tell me about this new American project in California?

**Mr. Foley:** The Santa Clara?

**Mr. Cunningham:** Yes. Can you table the contract for us?

**Mr. Foley:** I have no objection to tabling most of the contract. I will extract the commercial parts—commercially sensitive—that will not be released by the customer. I have no problem dealing with that.

**Mr. Cunningham:** What do you mean “commercially sensitive”?

**Mr. Foley:** There are some elements in there about options and various spare parts pricing and so on that the customer does not table under the US operations. The rest of the contract you can have.

**Mr. Cunningham:** What percentage will be Ontario content in those vehicles; Ontario-oriented content?

**Mr. Foley:** I am only guessing. We have to meet the “buy American” content, so 50 per

cent of it will be American. Most, if not all of the balance, is Ontario.

**Mr. Cunningham:** Most of it?

**Mr. Foley:** Yes, I would assume that most, if not all, of the balance is Ontario. But I would have to look at it. We may have some door controllers which are purchased in Quebec and things like that.

**Mr. Cunningham:** That doesn't bother me. What about the final assembly to satisfy the “buy American” contract? Are we going to have Urban Transportation Development Corp. California Inc.?

**Mr. Foley:** Not to satisfy the “buy American” content, but perhaps to satisfy the tax operations, we will contract our final assembly. We have a proposal from a firm located in Sacramento.

**Mr. Cunningham:** So we will be setting up a UTDC plant in Sacramento for assembling?

**Mr. Foley:** No, that is not what I said. I said we have a subcontract with a firm in Sacramento to do the final assembly, which we are required to do by law, in the United States.

**Mr. Cunningham:** Will we do the same thing in Detroit?

**Mr. Foley:** We do not have to do it in Detroit, because the “buy America” act talks about final assembly in terms of the whole of the system. In effect, we are assembling the system in the United States by pouring the concrete structures and fastening the rail and the power control and so on. You could not do the assembly anywhere else but the United States, because of the way the system is. But the vehicles do not constitute the product in Detroit. The vehicles constitute only a component. As long as we buy 50 per cent of the components in the United States and do the final assembly, we are okay.

**Mr. Cunningham:** So you are buying steel and cement and—

**Mr. Foley:** All the station materials.

**Mr. Cunningham:** That satisfies them?

**Mr. Foley:** Yes.

**Mr. Cunningham:** What is the status of construction with Detroit now?

**Mr. Foley:** I think three construction contracts have been tendered and awarded. Construction on most of it starts Monday.

**Mr. Cunningham:** When will it be finished?

**Mr. Foley:** Late 1985.

**Mr. Cunningham:** Do you anticipate it will be on budget?

**Mr. Foley:** Yes, it will be within the same estimating range.

**Mr. Cunningham:** What kind of profit margin are you talking about on the Detroit job?

**Mr. Foley:** Without getting into specifics, I consider it to be to some extent commercially sensitive in the whole operation. We operate on somewhere around a six per cent to seven per cent margin.

**Mr. Cunningham:** Is it San José?

**Mr. Foley:** Santa Clara county, the city of San José.

**Mr. Cunningham:** Okay. I will call it San José. What do you anticipate the profit margin to be there?

**Mr. Foley:** On streetcars it is probably running around three per cent.

**Mr. Cunningham:** What would that net us?

**Hon. Mr. Snow:** Three per cent of \$50 million.

**Mr. Cunningham:** Let's mark these things down.

**Mr. Foley:** It is very close to that.

**Mr. Cunningham:** Let's talk about Kingston for a moment, and VentureTrans Manufacturing Inc. What is your relationship with TIW Industries Ltd. now?

**Mr. Foley:** None.

**Mr. Cunningham:** None? Why not?

**Mr. Foley:** Because TIW went into receivership.

**Mr. Cunningham:** When?

**Mr. Foley:** May, June, sometime at the beginning of the year.

**Mr. Cunningham:** May, June of this year?

**Mr. Foley:** Yes.

**Mr. Cunningham:** What happened as a result of that?

**Mr. Foley:** We saw that coming about eight months ago and we bought up all the shares they owned.

**Mr. Cunningham:** I saw it coming before you got into it.

**Mr. Foley:** Did you?

**Mr. Cunningham:** Yes. It was not that I was told by any directors or whatever. I just thought it was good old free enterprise Ontario. You just do not get into these things; do a joint venture with the private sector. We did a joint venture with the private sector on its back, so you

were it. I do not want to put a too negative or pejorative picture on it. Is Brian Mulroney still a director there?

**Mr. Foley:** I doubt it.

**Mr. Cunningham:** Is he off the board?

**Mr. Foley:** I do not know.

**Mr. Cunningham:** He is busy with other things.

**Mr. Foley:** I imagine.

**Hon. Mr. Snow:** He was a director of the Bank of Commerce too.

**Mr. Cunningham:** Was he? They are doing well. I read about them in the paper. I wish we were doing as well. They balance their budget and make a profit. They have that old-fashioned bottom line discipline, don't they?

**Mr. Samis:** Mr. Chairman—

**Mr. Cunningham:** Is it getting too much, George? I am sorry, we have a quorum.

**Mr. Samis:** We may have another Social Credit member in the House.

**Hon. Mr. Snow:** Eric is going to form the new Social Credit Party of Ontario.

**Mr. Chairman:** Try to get some support from the right wing of the New Democratic Party.

**Mr. Cunningham:** My doctor told me that if I did not get into a physical altercation with Jimmy Snow, I might last to be 65 years old. That would give me another 31 years. I do not want to pay off all those debts over the course—

**Hon. Mr. Snow:** Do you mean you are 44?

**Mr. Cunningham:** No, 34.

So TIW is gone?

**Mr. Foley:** Yes.

**Mr. Cunningham:** What did you pay to buy their shares?

**Mr. Haggerty:** Was it a better deal than Suncor?

**Hon. Mr. Snow:** Pardon?

**Mr. Cunningham:** Help me with the mechanisms on this. You went into a joint venture with TIW, which had no experience in this business whatsoever.

**Mr. Foley:** They built the pre-production cars that are in Vancouver. They are running quite well now.

**Mr. Cunningham:** Are they? Why did they go bankrupt?

**Mr. Foley:** I think they did a mini-Dome and probably borrowed more money than they could pay back at interests rates of 19 or 20 per cent.

**Mr. Cunningham:** Could we not have lent them some money or helped our friends?

**Mr. Foley:** I am not in that business.

**Mr. Cunningham:** We were partners. How could we let our partners go down the drain?

**Mr. Foley:** I think there is an obligation that runs through all of what you have said tonight, and that is, as I understand my mandate and my job, to maximize the benefit for the taxpayers of Ontario and to protect the assets of the corporation. In the process, that is what we do.

**Mr. Cunningham:** In the manufacturing, let us talk about cars and the component parts. What extent will be done at our facility in—where exactly is it again?

**Mr. Foley:** I am not sure which one you mean.

**Mr. Cunningham:** Outside Kingston.

**Mr. Foley:** In Ernestown.

**Mr. Cunningham:** Ernestown township. What are we doing at Ernestown—

**Hon. Mr. Snow:** You ought to come down some day.

**Mr. Cunningham:** I was invited by Brian Caldwell, the corporate secretary. I told him that if they could line up some of those old Danish sandwiches, with the saumon fumé—

**Hon. Mr. Snow:** We would even take you to the yacht club.

**Mr. Cunningham:** Is Caldwell here? Where is he? I see a beard back there. Is that it?

**Mr. Foley:** He has since been transferred to Kingston and we just could not afford the trip.

**Mr. Cunningham:** Caldwell says: "Do not be so negative. Come down and see us." I say, "Okay, Caldwell, let me look in my book that is provided to me free every year by Boise Cascade Canada Ltd. and we will line something up." So I wrote it in here. If you had enough time I would go through and find it. I say, "I am on."

The next thing I know is I get a call back to my secretary saying: "No, it is all off. You cannot come because they have something going on." I said: "Okay, the ball is in your court. You invited me and I said I would go. When it is convenient, give me a call."

**Mr. Foley:** I promise you we will correct that deficiency.

**Mr. Cunningham:** I said, "We will have a couple of Classics, lights or whatever you call them and some of those Danish sandwiches, a little saumon fumé and we will look at the boardroom that Brian Mulroney used to sit in,

whiz around the track and take a look at the west end of it to see if there are any deficiencies, or anything like that, which I have heard about." He never called me back.

**Mr. Piché:** For very good reason.

**Mr. Foley:** He will be disciplined for that. I promise you I will provide the invitation personally.

**Mr. Cunningham:** Take his company car away or do something like that.

**Hon. Mr. Snow:** We will take three inches off his beard.

**Mr. Cunningham:** I have a supplementary. How many company cars do you have now?

**Mr. Foley:** About 52.

**Mr. Cunningham:** Last time I asked you had 26. You guys are supposed to be pro transit.

**Mr. Foley:** That is right, but it is hard to get our inspectors out to inspect the guideways until the transit system is built. I promise you once the guideways are built, they will take transit to inspect them.

**Mr. Cunningham:** I want to know what kind of cars they are. You guys are worse than Ronnie Reagan. His idea of public transit is five guys in a Seville. I was going to say a Mercedes but that was a heretofore nasty subject. We will not even get into that. Frank Miller used to raise that. He put it in his little green book.

9:10 p.m.

**Mr. Foley:** We would rather have Buicks.

**Mr. Cunningham:** If you have 52 cars, how many houses do you have?

**Mr. Foley:** The same amount we had last year.

**Mr. Cunningham:** How many?

**Mr. Foley:** Four.

**Mr. Cunningham:** What a relief because houses cost a lot more than cars. One can turn a car back in, but—

**Hon. Mr. Snow:** How did you ever figure that out?

**Mr. Cunningham:** Listen, I have one house and two cars, so I know.

**Hon. Mr. Snow:** You have two cars compared to UTDC having 52. God, that is—

**Mr. Cunningham:** My wife insists on one. Does your wife have one? She probably has a motorcycle.

**Hon. Mr. Snow:** We have five cars and a motorcycle.

**Mr. Cunningham:** There you are. Talk about a guy who is pro transit. Do you have houses in the United States?

**Mr. Foley:** No.

**Mr. Cunningham:** I want to know where they are because I travel a lot, not as much as the minister would prefer. I have a few more questions about Kingston now. Are you satisfied with the extent of your test track monitoring?

**Mr. Foley:** I have to say yes because I do not understand what you mean.

**Mr. Cunningham:** You do not.

**Interjection:** Next question.

**Mr. Cunningham:** It is easy to laugh, but we are talking about lots of dollars. If I go back home and buy the groceries, as I often do, and I am in the IGA in Waterdown, there is a 50-50 chance—if I am not there I am in the beer store—somebody will say to me, "This Hydro thing, how did we ever get that way?"

**Mr. Samis:** Fifty-fifty?

**Mr. Cunningham:** Yes. Does that not happen in Cornwall?

**Mr. Samis:** Fifty-fifty does not happen anywhere.

**Mr. Cunningham:** You are too close to Ottawa and they have all given up. I am concerned about these dollars. I want to ask some questions about your power control units. Is everything okay?

**Mr. Foley:** The PCUs?

**Mr. Cunningham:** Yes.

**Mr. Foley:** Yes.

**Mr. Cunningham:** You do not have any glitches.

**Mr. Foley:** The PCU is doing pretty well. Saturday afternoon GEC put it through its 12-hour burn rate and it passed well.

**Mr. Cunningham:** Is that the transistorized one?

**Mr. Foley:** Transistor.

**Mr. Cunningham:** Is that the state of the art now? Is that what we are going to deal with or are we going to have a melange of both or what?

**Mr. Foley:** There is only one. Originally, we had a runoff between two companies in the early design stage, one with the thyristor and the other with the transistor. We settled on the transistor, but that was two years ago.

**Mr. Cunningham:** You are not having any problems with it?

**Mr. Foley:** No, the design is well. It is passing its performance tests. From time to time we have quality inspections. Let us say a soldered joint was not done properly, but that is why we burn them.

**Mr. Cunningham:** Because I happen to have some marginal interest in all of this, in addition to the San Jose contract, would you give me copies of your reliability testing or monitoring at the track on that thing?

**Mr. Foley:** No.

**Mr. Cunningham:** No.

**Mr. Foley:** I will endeavour to ask GEC if it wants to provide you with its in-plant test data, which is what we are talking about. I suspect they will say no.

**Mr. Cunningham:** Why would they do that?

**Mr. Foley:** Because If I were Westinghouse, AEG or General Electric, I would love to have the data.

**Mr. Cunningham:** I would not give it away.

**Mr. Foley:** If I table it, I understand it is a matter of public record.

**Mr. Cunningham:** Why do we not just have a talk about it? Is everything all right with the resister rails?

**Mr. Foley:** I do not know what you mean by resister rails.

**Mr. Cunningham:** The reactor rails or reaction rails.

**Mr. Foley:** Sure.

**Mr. Cunningham:** Do you hire people from outside the country?

**Mr. Foley:** Sure.

**Mr. Cunningham:** I am not talking about Americans to satisfy—

**Mr. Foley:** Yes, we do.

**Mr. Cunningham:** Do you advertise abroad?

**Mr. Foley:** Not usually. It depends what the problem is we are trying to solve.

**Mr. Cunningham:** You go anywhere in the world.

**Mr. Foley:** I suppose we would. We would probably get a few people from the United Kingdom and from the United States. We might have some Germans.

**Mr. Cunningham:** Soviets.

**Mr. Foley:** Not that I know of, maybe.

**Mr. Cunningham:** Maybe.

**Mr. Foley:** I do not know. The origin of our employees is quite diversified. From a point of

view of seeking individual skills, if we are interested in a particular activity and there is a skill we need, then we look for it where we can. I would say 99 per cent of our employees are hired in Canada.

**Mr. Cunningham:** How many employees do you have now?

**Mr. Foley:** About 516. As of October 31, there were 514.

**Mr. Cunningham:** How many did you have last year?

**Mr. Foley:** I do not know.

**Mr. Cunningham:** You do not know.

**Mr. Foley:** I can get it, but I do not have it here.

**Mr. Cunningham:** I see a few of them have left. Mr. Morrison Renfrew has gone?

**Mr. Foley:** Yes.

**Mr. Cunningham:** Where has he gone?

**Mr. Foley:** To the Canadian Guided Ground Transport Institute, I think it is called.

**Mr. Cunningham:** Les Elliott has gone.

**Mr. Foley:** Yes.

**Mr. Cunningham:** Where has he gone?

**Mr. Foley:** I do not know.

**Mr. Cunningham:** It sounds as if you don't care.

**Mr. Foley:** You asked me a question as to where he had gone. I said I don't know.

**Mr. Cunningham:** Does the 516 include Metro Canada Ltd., Toronto Transit Consultants Ltd., UTDC Research and Development Ltd., UTDC Services Inc., UTDC USA Inc.?

**Mr. Foley:** TTC owns Toronto Transit Consultants.

**Hon. Mr. Snow:** That has nothing to do with us.

**Mr. Foley:** It has nothing to do with us.

**Mr. Cunningham:** It says a subsidiary of your company.

**Mr. Foley:** No.

**Mr. Cunningham:** It is in the auditor's report; I took it at face value. How could the auditor be mistaken?

**Mr. Foley:** But it does include UTDC, Metro Canada, UTDC Research and Development, UTDC Services and UTDC USA.

**Mr. Cunningham:** So you have four subs? Then there is the thing going on in Great Britain. Is that a subsidiary?

**Mr. Foley:** No. That is a joint venture.

**Mr. Cunningham:** How many joint ventures have you got?

**Mr. Foley:** We have one with Metro Canada in the UK. We have a marketing agreement with Sumitomo Corp. in Japan.

**Mr. Cunningham:** Wait a minute. I want to get this all down. Marketing with whom?

**Mr. Foley:** Sumitomo in Japan. We have a joint venture agreement on a bid that is currently before the Colombian government in South America with Balfour Beatty in the UK.

**Mr. Cunningham:** It sounds like a men's wear store.

**Mr. Foley:** We have a joint venture with Bombardier in Singapore. We have a joint venture with Lavalin or Femco Metal Products Ltd., whichever company you want, for a Hong Kong proposal.

**Mr. Cunningham:** Never mind our joint ventures. With the four that we own, how many employees do we have?

**Mr. Foley:** For UTDC, Metro Canada, UTDC R and D, UTDC Services and UTDC USA, there are 514 employees.

**Mr. Cunningham:** Does that include the Hawker Siddeley situation?

**Mr. Foley:** No.

**Mr. Cunningham:** If we add that, how many do we have?

**Mr. Foley:** I think there are about 190 to 200 active employees. Then there are 400 on a recall list.

**Mr. Cunningham:** A sad day. It used to be a hot ticket up there.

What about VentureTrans? Does that come into this at all?

**Mr. Foley:** It is not listed there. I think it is around 350.

**Mr. Cunningham:** We have 350 a VentureTrans. So we are hitting at well over 1,000. Congratulations. On that note, I would defer to Mr. Samis if he has any questions.

**Hon. Mr. Snow:** Thousands of people are working.

**Mr. Cunningham:** That is great. Listen, we could all rake leaves you know. We could pay the lake and there would be nobody unemployed.

**Hon. Mr. Snow:** These are all working productively.

**Mr. Samis:** Let me say, coming from eastern Ontario, we have a very different perspective on it than Mr. Cunningham, I assure you. We con

from a high unemployment slow growth area. How many in Kingston? About 350?

**Mr. Foley:** In Kingston there would be locationally 379 of those 514 people. All the 350 employees of VentureTrans are in Kingston and region.

**Mr. Samis:** About 700 jobs.

**Mr. Foley:** That is about right.

**Mr. Samis:** Coming from Cornwall, we would not mind taking half of them. We do not have the same ideological hangup that Mr. Cunningham has with respect to—

**Mr. Foley:** If I might, Mr. Samis, I would just like to make one comment. In the last year at least three firms that were formerly foreign companies have located in Ontario. One is located in Kingston, namely, New York Airbrake. Another one is Standard Electric Lorenz located in Toronto. The third one, GEC Canada Ltd., is located in Mississauga.

9:20 p.m.

**Mr. Samis:** Let me just stress the point I made in the the leadoff in the estimates. We have no hangups about the government being in the transportation field. I think the expansion of UTDC's mandate makes sense. I do not have any hangups about the fact it is not written in stone. I think it can be expanded. I think it has been a positive expansion and I fully support the ministry in expanding it.

I would like to ask some general questions. First, I want to talk about the article. As to the section Mr. Cunningham quoted, you seemed uncomfortable with the actual text that was published. What did you say, if you are saying that is not exactly what you said to Elaine Carey?

**Mr. Foley:** The interview was basically a question of saying: "Where are you? What have you done? Where are you going?" It was that sort of thing. "Can we have some information?" In the process there was a statement, "Was that what you intended to do in 1973 and what are the events that have taken place to create or cause the actions you have taken?"

There was a question that popped up throughout that on private sector involvement. I indicated to her how many of our contracts were subcontracts, how much was contracted out. There was a question, "What about the remaining stuff going to the private sector?" That is when I said, "Well, it is possible."

**Mr. Samis:** Did she raise that or did you?

**Mr. Foley:** I usually answer questions in interviews.

**Mr. Samis:** You can lead an interviewer, as you know.

**Mr. Foley:** I have no skills in that.

**Mr. Samis:** You are saying you personally have not raised the question within the corporation. You are saying you were responding to her leading you into the field of privatization.

**Mr. Foley:** Those are two different questions. She asked me the questions with respect to privatization. To say I have not in the last years asked questions of myself and the corporation about, "What in these joint ventures and partnerships should we be looking at from a point of view of private involvement and continued public involvement, and what share should we contract out versus what risks should we keep ourselves and what risks can we rightfully give to subcontractors," those questions always come up.

**Mr. Samis:** That is a legitimate question. The point I am getting at is, because of the tone of that portion of the article, have you been asking yourself that any more recently or have these been ongoing questions? The article gives the sense that—

**Mr. Foley:** I think I would like just to reinforce what the minister said. The management's view of the corporation's ownership is a private matter that can be discussed or not, but the government of Ontario has every right to determine its shareholding, and we really have little to say about that.

As to the issue of joint venturing, when one is into a deal in Hong Kong, the UK or South America, one is always faced with the question as to how does one risk-share and how does one deal with the shareholder on the ownership and the contingent liabilities that will float.

It constantly puts in front of us the question, what is a proper deal from a management point of view to enter into with private sector companies both here and abroad? That constantly comes up in the sense that says, "At what point is it better to make your deal with these guys around equity than around some sort of contractual liability?" In other words, they get to vote at the table as opposed to deal with a contract.

That is an issue that comes before management constantly in trying to price, in trying to insure projects with public liability insurance and so on. The issue of distribution of our

ownership is clearly the minister's decision, not ours.

**Mr. Samis:** I think that is where it should be, it being a public corporation.

There is some feeling among your critics that things have bottomed out and that the future in Canada for growth is limited. How do you compare your status in terms of the transit market with that of Bombardier in growth potential in Canada?

**Mr. Foley:** We have recently entered into an agreement with Bombardier around the Singapore contract.

**Mr. Samis:** I want to ask you about that.

Mr. Chairman, I cannot hear the answers. Will you please get the committee in order or I will have to call Piché in here to straighten you out? Go and get Piché.

Interjections.

**Hon. Mr. Snow:** With all due respect, if you want to talk about the ownership of the corporation, you should be talking to the government and not to the corporation.

**Mr. Samis:** I was wondering if you were going to join in on that.

**Hon. Mr. Snow:** I have said that before. I think if you want to talk about who is going to own the shares you should talk to the shareholders, not the president who, I guess, may hold one share.

**Mr. Foley:** Not Foley.

**Mr. Samis:** Anyway, the comparison with Bombardier and the growth of the transit market in Canada—

**Mr. Foley:** This will perhaps respond somewhat to what Mr. Cunningham had to say, as well. There are two different types of corporations.

Bombardier, as we know—because we do have reasonably good relationships with many people in Bombardier—are very good manufacturers. Because of the nature of the transit business, they tend to enter into licence agreements for their designs. We have talked to them constantly about building and manufacturing designs that we may undertake instead of Belgian designs or Japanese designs and so on.

How you compare us has to be on two bases; one is on the delivery of vehicles specifically, as opposed to design and system orientations.

**Mr. Samis:** Fair enough.

**Mr. Foley:** I would suggest that the nature of the transit business on a worldwide basis has changed radically and that the order sizes, such as New York and Chicago, are going to be very

few and far between. They are going to be largely determined, not by a design capacity—because basically New York will have to repeat its design as it stands now. The infrastructure requires clearances and control systems, power systems. They will all pretty much have to be adoptable to their existing systems.

I think the issue is to develop the corporate structure and our manufacturing design delivery process to be able to respond to order sizes with 30 to 50 cars. That means you have to look differently at your manufacturing techniques, at your design and engineering processes to be more competitive at that level of the marketplace than you would in competing for 800 car units.

The difference is that we fundamentally try to build to our design. We try to build on a system basis, and we are now trying to convert the existing facility in Thunder Bay as well, to be competitive on a small order lot basis.

That is going to mean different processes; different engineering processes and techniques. It will also mean we are going to have to get into electronic design and do certain things that would require sufficient capital input to be competitive. We have to get some of the labour intensity out of the design and engineering side. We have to get to be more repeatable on small unit lots.

I do not think Bombardier has seen that as an issue that they want to face. They would like to see themselves in partnership with us—and I think that is a good idea—in implementing those design areas.

**Mr. Samis:** Just as an aside—

**Mr. Cunningham:** Could I have a supplementary?

**Mr. Samis:** Let me get the aside and then you can ask the chair.

What is the size of the Bombardier work force compared to yours? Do you have any idea? You are around 1,000. Are they bigger?

**Mr. Foley:** There are a number of divisions.

**Hon. Mr. Snow:** They have a lot of divisions. They manufacture locomotives and snowmobiles and trucks for the military.

**Mr. Samis:** But if you look at the public transit division, excluding the snowmobiles, the tanks the trucks, all the Liberal contracts.

**Hon. Mr. Snow:** Take all the rest of the divisions out of UTDC and you get down to 35 people.

**Mr. Foley:** They have three plants, one in L

Pocatière, one in Valcourt, and then they have the one in the United States in Vermont. I think Valcourt does a number of transportation products that are not in their mass transit division. La Pocatière, I think, does some as well. I am not sure I could make a good division there. I do not really have a good estimate.

**Hon. Mr. Snow:** I was through their plant down near—where?

**Mr. Foley:** La Pocatière.

**Hon. Mr. Snow:** On the south shore of the St. Lawrence River.

**Mr. Chairman:** Mr. Cunningham had a supplementary.

**Hon. Mr. Snow:** It is a very nice plant. They treated us very well. They gave us coffee and oatmeal cookies.

**Mr. Samis:** Your people treated me better in Kingston.

**Hon. Mr. Snow:** I toured the plant and they are a very good company.

**Mr. Cunningham:** Do they have a yacht club?

**Hon. Mr. Snow:** Yes, definitely.

**Mr. Samis:** We went through that last year.

**Mr. Cunningham:** How old is this new-found relationship with Bombardier; this joint venture that we are looking at?

**Mr. Foley:** We have been discussing it for almost a year now, so I guess I would say probably it has been six months since we agreed on the Singapore project.

**Mr. Cunningham:** Would it be the thin edge of the wedge in getting them into Ontario?

**Mr. Foley:** I am not sure.

**Hon. Mr. Snow:** No, we are not planning to take them over.

**Mr. Cunningham:** No, I mean would they have a chance to bid on something here or are we forever going to be hiring guys like Ian Sinclair, who was described as a constituent of the minister and in even worse terms by my good friend the critic from the New Democratic Party.

3:30 p.m.

**Hon. Mr. Snow:** He is not on my contributor list though. I checked.

**Mr. Cunningham:** So did I. He is not on mine either.

**Hon. Mr. Snow:** He is not on yours?

**Mr. Cunningham:** No, but whereabouts does he live in Oakville?

**Hon. Mr. Snow:** Carey Road.

**Mr. Cunningham:** I am just kidding.

**Hon. Mr. Snow:** At the corner. He told me I had to put one of my signs up there at the next consultation.

**Mr. Cunningham:** You could do that. Are we going to have to hire guys like Ian Sinclair to referee between us and the TTC?

**Mr. Foley:** I think there is a misunderstanding of the entire issue of referees. On every contract we enter into that has a certain amount of undefined work scope, we appoint a referee. In effect, it grew out of the judicial system to try to determine a settlement of largely commercial issues, on what is considered to be a fair and reasonable basis.

There is a referee in Vancouver. There is a referee in the Toronto contract. I do not see it in the sense that you have to do this, but these may be difficult issues to settle with a commercial, not legal—

**Mr. Samis:** Mr. Chairman, may I interject? We were talking about Bombardier. Now we have got on to the TTC. I waited 75 minutes and did not interrupt Mr. Cunningham for one minute out of the first 75.

**Mr. Cunningham:** Sorry, I am admonished.

**Mr. Samis:** Do we, by the way, deal with the Toronto Area Transit Operating Authority tonight?

**Hon. Mr. Snow:** TATOA is here waiting.

**Mr. Samis:** Okay, let me get through these questions so we can get on to that one.

Mr. Cunningham read the statement and the article and went on a bit about the market potential in the United States and quoted the Bob Abrams statement there. I would ask you to reply to that statement, that nobody is even asking for bids on it, etc.

**Mr. Foley:** First, I had an opportunity to talk to Mr. Abrams after I found out who he was and what level of hierarchy he was. Of those statements he says, "Gee, I do not remember saying anything like that."

**Mr. Cunningham:** Do you mean he was misquoted?

**Mr. Foley:** I did not ask him whether he was misquoted. I just tell you that he indicated he could not remember saying things like that.

Let us deal with the market potential. At present, we are looking at a project in the

Chicago O'Hare Airport that is totally an intermediate capacity transit system.

**Mr. Samis:** What is the value of it?

**Mr. Foley:** Close to \$100 million. The docklands project in the United Kingdom is very much an ICTS type.

**Mr. Samis:** No, let us just stick to the USA.

**Hon. Mr. Snow:** One interesting point about this article is that it says something about "other than a relatively small contract in Detroit".

**Mr. Samis:** Where are we talking?

**Hon. Mr. Snow:** We are talking in column 3, the fifth paragraph down.

"Cunningham argues that, apart from the relatively small contract in Detroit, ICTS has never won against fair competition." I do not know. As I say, Mr. Cunningham has referred to my successes in industry. I never had a \$135-million contract that I called small. In fact, in 25 years, I have only had two contracts over \$1 million.

**Mr. Cunningham:** As a matter of privilege, I was just stating the facts.

**Hon. Mr. Snow:** I do not think \$135 million—

**Mr. Cunningham:** The Vancouver contract was not a competitive bid. The facts are quite clear. Scarborough was not a competitive contract.

**Mr. Samis:** Mr. Chairman, again, on a point of order, these two gladiators are at it again. You know the annual love-in these two have.

**Hon. Mr. Snow:** I do not think \$135 million is a relatively small contract.

**Mr. Cunningham:** Listen, I can recall the number two guy in Detroit saying it did not make much difference about this three-mile system because—

**Mr. Chairman:** Perhaps we could let Mr. Samis complete his questioning, if you would, please.

**Mr. Samis:** May I get back to the United States? I have mentioned Chicago as a potential. What else do you see?

**Mr. Foley:** We are currently discussing with both Dallas and Houston, Houston in particular, after its referendum was defeated. They are now looking—

**Mr. Samis:** What was the referendum on?

**Mr. Foley:** It was a sales tax referendum. It says they will vote a one-cent sales tax or something like that for an amount to go to a transit program. It was several billion dollars, I

think \$2.5 billion, for the transit system in Houston.

Our US company has been discussing with Houston the ability to apply ICTS technologies to lower the cost of what otherwise would be an expensive system.

Just replying to the other part of that statement you read to me, regarding bidding; it says something about nobody asking for it. I suggest that in the transit business and any business, especially with a new product that is not familiar to your operators and is not in the historical context of awareness, your task as a marketing operation is to go out and inform those customers of its benefits. You must offer reasons and advantages for them to procure it, and influence them to procure it.

**Hon. Mr. Snow:** In other words, if you want to sell soap you have to work up a lather.

**Mr. Samis:** Do not use soap as an example. You can talk about tobacco if you want, but not soap.

**Hon. Mr. Snow:** I thought that sounded good.

**Mr. Cunningham:** Why not take life insurance? It is not purchased, it is sold.

**Mr. Foley:** That is right. I think there is a situation that arises in the marketplace, as we have indicated. We first decided in about May of 1980 that the product was sufficiently developed that we could go out and market it. A year later, in May 1981, we had signed Vancouver. We bid the Detroit project in November and actually signed that contract in April 1982.

There is a long gestation period in all of these marketing activities. Each contract likely takes two years, when you are into systems orientation, in particular.

**Mr. Samis:** Is it fair to say then, in terms of targeting markets—I accept the point you are making, that you are targeting in Chicago, Houston and Dallas. Would those be your top three?

**Mr. Foley:** And Los Angeles.

**Mr. Samis:** And Los Angeles?

**Mr. Foley:** Yes. I should point out one other thing too, and we said this last year: When Mr. Reagan was elected, he basically instituted policy of what he called "no new starts" in the United States.

**Mr. Samis:** Yes, I was going to ask you about that.

**Mr. Foley:** Detroit was a new start but it was allowed to proceed, and so was Miami, after

election. The San Jose contract in California is one of the few new starts that has been allowed. The Los Angeles, Dallas and Houston market-places all will be influenced by the availability of federal funds.

Recently, Dallas passed a referendum which reflected, I think, a major change in attitude in the southwestern United States, in particular. It was a referendum for almost \$8 billion to be appropriated over, I think, 15 years for a transit system. Los Angeles and the various counties have a number of referendum elements coming up. All of those markets are determined not so much by technology as by the public interest in the project and by the public's willingness to dedicate funding, whether it is from a property tax source, a sales tax source or whatever.

**Mr. Samis:** In 1984, after the election, it is hoped there will be a government in the United States more sympathetic to public transit.

**Mr. Foley:** I would not want to—

**Hon. Mr. Snow:** I am not so sure.

**Mr. Samis:** I said it is hoped the American people will see the light of day and get rid of romping Ronnie.

**Hon. Mr. Snow:** I do not see much wrong with he present—

**Mr. Samis:** You would go into Grenada, would you?

**Hon. Mr. Snow:** Sure.

**Mr. Samis:** Oh, my God. Did you see the cartoon in the Toronto Star tonight?

**Hon. Mr. Snow:** I do not—

**Mr. Samis:** With your bulldozer, I suppose. Getting beyond North America now, can you bring us up to date on the Singapore situation, since I gather that is a major contract with major applications for Canada if you get it?

**Mr. Foley:** Singapore, I think, is probably the leading transit project in the world today. It is a metro subway-type system; a lot of it is elevated, some of it is at grade and a bit of it is underground. They have undertaken a prement package where they basically went out for about six mechanical-electrical packages and broke them down into vehicles, train control and so on. Then there were about 14 construction contracts.

Through a subsidiary of ours that is a joint venture with Lavalin, with prequalified—

**Mr. Samis:** What is that, by the way?

**Hon. Mr. Snow:** Lavalin is the biggest permanent consulting engineering firm in Canada,

located in Montreal, and is the parent company of Fenco Engineers, which is located in Toronto. Fenco has branches in every province in Canada.

**Mr. Foley:** Lavalin is a partner in that enterprise and has qualified now for a number of stations and guideway construction contracts on which we would jointly do the design. They would do the construction but we would participate in the design side of it.

With respect to mechanical and electrical contracts, originally the client was going to separate the train control systems and the vehicle systems. As of two weeks ago, and we think we had some influence on that, they have now integrated those two packages so that they will be dealt with together. That puts us in a position where it is important to recognize the clients are looking more and more to the system design aspects from the suppliers. So I think we are in good shape on that one with the product and with the price.

Obviously, as we have said here year after year, one of the major competitive features in transit sales internationally, is finance.

9:40 p.m.

**Mr. Samis:** Can I ask you about that? Before you get to the financing aspect of it, when is the date for tender?

**Mr. Foley:** January 9, 1984, for the vehicle package. The tenders for the various pieces of the system are spread out over about the next seven months. The station and guideway package is, I think, some time in March. The train control package was put in on October 15 but it will not be dealt with until they get the vehicle bids now as well.

**Mr. Samis:** You have now gone into a joint venture with Bombardier, I gather.

**Mr. Foley:** For the vehicles.

**Mr. Samis:** Yes. Was that self-initiated or was that at any urging of the federal government?

**Mr. Foley:** I think it is fair to say that the federal government, the Prime Minister, the Minister of State for International Trade and various members of the federal cabinet urged us.

It is very difficult for us to understand how we can put together competitive financing packages and various diplomatic efforts when we have Canadian groups competing against one another. To some extent, we have always shared the idea that it would be beneficial if we could have a single Canadian package that was taken into the international market. So we made a

commitment to Mr. Regan, the Minister of State for International Trade, and to the Prime Minister's office that we would both endeavour to see that we did everything possible.

Some intricate legal problems get worked out when you deal with design, liability for design and joint manufacture. And interesting labour problems come into two-plant operations—how you share work and so on. So it has not been an easy process by any stretch of the imagination, but we gave the Prime Minister's office and the trade minister's office a commitment to go to every extent we could to see a joint venture brought together.

**Mr. Samis:** In return, has there been some financing provided to deal with your foreign competition?

**Mr. Foley:** The federal government has given me reasonable assurances—they have given me no guarantees, nor would I want them to at this point as to any particular rate—that Canada will be quite competitive in a financing sense.

**Mr. Samis:** So in a sense, you find it a beneficial arrangement for dealing on the international market, especially in a project of this scope?

**Mr. Foley:** Sure.

**Mr. Samis:** Where is our main competition coming from?

**Mr. Foley:** Japan, Britain and France; they will be very strong.

**Mr. Samis:** How is the level of financing in their cases, respectively, compared to ours, from what you know?

**Mr. Foley:** We are in partnership with the British in Colombia and the British government did a very effective job of financing their share of that offer, which is currently before the Colombian government, and I suspect they will match that. When Mrs. Thatcher was in Toronto some weeks ago, I had an opportunity to talk with her about their attitude towards concessional financing. She made it very clear to me that they will compete, that they will beat the rest of us.

**Mr. Samis:** She is prepared to set aside her doctrine, her dogma, her hangups, to be flexible, pragmatic and aggressive?

**Mr. Foley:** I took the same interest you have just expressed in her response, but that was it.

**Mr. Samis:** Good.

**Mr. Foley:** They will compete. She indicates that they will do everything they can to beat the rest of us.

**Mr. Samis:** And how about the Japanese and French competition, in terms of financing, from what you know?

**Mr. Foley:** I recall in the Santa Clara bid, we tried desperately to have that bid on two bases, one with financing and one without, and to have the California people declare their cost of interest. Then, if somebody did not finance below that you could get a nonfinanced bid, because we knew we could not compete with the Japanese on a financed bid. It turned out that while our financing cost was 11 3/4 per cent, theirs was applied at three per cent.

**Mr. Samis:** Three per cent?

**Mr. Foley:** Three per cent. We were lucky enough then that we could bid the job without financing and the California government set its cost of money at seven per cent. It did a mathematical calculation to get its best deal, and it turned out that our price was better with them providing their own cash than with their using Japanese money at three per cent; but three per cent is pretty nice interest.

**Mr. Samis:** Damned right. What about the French in this case?

**Hon. Mr. Snow:** Could you get me some at that price?

**Mr. Foley:** I would take all I could get.

**Mr. Samis:** Blind trust. Conflict of interest.

**Hon. Mr. Snow:** I can borrow, and then lend. Did you ever hear about the rollover effect Eric? Banks and trust companies do it all the time.

**Mr. Cunningham:** But you lend to banks.

**Mr. Foley:** At present, the consensus rate in Singapore is holding. We now know, with the construction contracts that have currently been bid, that the consensus rate, which is a formula every country has, is holding. This means the French are probably lending at somewhere around 11 per cent to 12.5 per cent on the consensus rate.

The problem with that is that the only thing that has been bid so far is the construction contracts. It is very difficult to see how you get much by breaking consensus on construction. A lot of the labour and materials are local anyway so you are not feeding your industries that way. We just do not know.

I think what the government of Canada has said to us is that the Export Development Corporation will know, and the arrangements throughout the process are that the countries declare when they break consensus. Whether or not they will

declare is an issue, but the rules of the game are that you are supposed to declare when you are going to break consensus.

The EDC has indicated it will do its best at that point to match. The strategy obviously is to say, "We will match you," so hopefully nobody breaks, because they know they will be in a never-ending war. How far we can stay in the game is a matter of federal fiscal policy.

**Mr. Samis:** Have you put out feelers to the Leader of the Opposition (Mr. Peterson) in case there is a change next year?

**Mr. Foley:** I always make sure we communicate effectively—

**Mr. Samis:** That is right; when there is a change.

**Mr. Foley:** —with all governments and political leaders.

**Mr. Samis:** You have given up the ship. We do not have to worry about that, Eric.

Can I just ask you, depending obviously on what contracts you get, what sort of protectionist policies or the equivalent of "buy America" policies does Singapore have, if we get any of the contracts?

**Mr. Foley:** Virtually none. Every country has situations where it would like to see certain work done in that country. Singapore—and this is not meant to flatter a potential customer—is absolutely the straightest arrangement I have ever seen on procurement. There is no pressure to do local jobs. There is no pressure to give particular work to anybody. There is no pressure to enter a joint venture with a Singapore company.

**Mr. Samis:** It is a one-party state, is it not? That does facilitate things, once you make a policy.

**Mr. Foley:** Yes. I think they are a very efficient operation. They operate a first-class procurement process.

**Hon. Mr. Snow:** They are Conservative.

**Mr. Samis:** No, they are not—far from it. I know you like a one-party state.

**Hon. Mr. Snow:** Since they are very efficient, then they must be.

**Mr. Samis:** Sure. Tell us about Sterling Lyon.

**Hon. Mr. Snow:** He is very efficient. He'll be back.

**Mr. Samis:** He is stepping down as leader in two months. What is he going to return to?

**Hon. Mr. Snow:** The party will return. Just like MacArthur said.

**Mr. Samis:** You will never get—

**Mr. Chairman:** Let's keep going.

**Mr. Samis:** It is getting a little heavy; so I will just leave it at one more question.

Last year we had a futile bell-ringing episode when you were here, and I did not get the full menu at the yacht club. You and Eric were working it out. Can you bring me up to date on the menu at the yacht club?

**Mr. Foley:** I am sorry but I cannot. I will be happy to get it for you.

**Mr. Samis:** How about the operations of the club?

**Mr. Foley:** It is doing just about what we had expected in terms of providing—

**Mr. Samis:** How about the usage? The rationale was that you would be bringing a lot of people into the site, from the United States and elsewhere. Is it a very useful social spot and a lodging spot as well, I would like to ask you?

**Mr. Foley:** It makes a very useful marketing spot. I do not know that I have all the delegations listed here, but some of the delegations were the London Transport people and the London Docklands Development Corp.—

**Mr. Haggerty:** It is a mini Minaki Lodge.

**Hon. Mr. Snow:** Very mini.

**Mr. Samis:** I have been to it. It does not rate at all, Ray, from what I have read of Minaki.

**Hon. Mr. Snow:** Have you been to Minaki?

**Mr. Samis:** No. That is what I said; I have not been. You have, obviously. When are you going to bring Eric and me to inspect it?

**Hon. Mr. Snow:** We will have to do a northern tour, you and I and Eric.

9:50 p.m.

**Mr. Foley:** The Denver transit authorities and the technical experts went to the site, and spent the time at the yacht club. The Japanese have had several visits. We are always of two minds with respect to that; we are not quite sure whether we are selling or losing. But the technology—

**Mr. Samis:** You don't trust them?

**Mr. Foley:** Considerably, yes.

**Mr. Cunningham:** Just let them take a picture of your boat. Don't let them take a picture of your track.

**Mr. Foley:** They have already copied that. There was also Orange county, Los Angeles

county and the Santa Clara board, which came up before the bid, and obviously we had to prove our technical qualifications.

**Mr. Samis:** When you are reading all these names off, is this for lodging as well as meals or what?

**Mr. Foley:** In some cases both, depending on whether it was overnight or just for dinners or presentations. We use it quite a bit for the boardroom type of presentations.

Other delegations were from the state legislatures, the California transportation committee, the Chicago airport board, Detroit and Vancouver.

We had design reviews, as I think I mentioned last year. We have a number of design reviews that are done in Kingston; when the technicians come, they usually stay there, depending on our ability to accommodate the numbers. It was the same with Detroit and the government of British Columbia, including the Premier.

**Mr. Samis:** Did you have Billy on a restrained budget when he was there?

**Mr. Foley:** Of course.

**Mr. Samis:** Good.

**Mr. Foley:** Osaka transit officials; Tokyo, London—

**Mr. Samis:** I hear he is a pretty dull guy, isn't he?

**Hon. Mr. Snow:** I don't know. I took him to a Blue Jays game with me one night.

**Mr. Samis:** Is he a dull person to have with you at a ball game?

**Mr. Foley:** He's a very exciting young man.

**Mr. Samis:** Bill Bennett is exciting? Even his supporters in BC would never say that. Of course, you would like that \$800-million contract. It is good politics.

**Mr. Foley:** Of course; and you do, too.

**Mr. Samis:** Of course I do, but I would never call him exciting.

**Mr. Haggerty:** He has about 30,000 excited fans out there now.

**Mr. Samis:** Before you conclude your list, one of the rationales was that in the long run you said this would actually be more economical—

**Mr. Foley:** Than providing it ourselves.

**Mr. Samis:** —than putting people up in different private lodging.

**Mr. Cunningham:** Private? Come on, George, give yourself a shake.

**Mr. Samis:** What do you mean? I know that when you hear the word you go into ecstasies, Eric.

**Mr. Cunningham:** There are no private hotels or private restaurants in the area near Kingston.

**Hon. Mr. Snow:** This is private.

**Mr. Cunningham:** You give them a lot of business.

**Mr. Foley:** We give a lot of business to a lot of people. I thought that was the argument you made, that I should give the business to all these people.

**Hon. Mr. Snow:** We give a lot of business to General Electric, Westinghouse, Firestone—

**Mr. Foley:** It costs us, we figure, about \$3,000 a month to run that operation, and we consider that to be considerably cheaper than providing any dining room or cafeteria type of stuff ourselves. We just do not see how we could possibly provide a meal facility of any type.

**Mr. Cunningham:** Your total bill is \$36,000 a year?

**Mr. Foley:** It is \$30,544. We just think it makes sense, in the sense that it is private and we feel they are doing a reasonable job of providing a facility that the corporation would not have otherwise. Looking at it after one year of operation, we recognize that we have some renegotiation of various elements that come up each year and we would probably trim it a bit but it is working not badly.

**Mr. Samis:** Mr. Chairman, that concludes my questions. I would ask Mr. Foley at least to provide Mr. Cunningham with a menu. I mean if he is going down there to savour the delight of it while the rest of us have to—

**Mr. Cunningham:** I want two things. I want that sandwich contract and the menu.

**Mr. Chairman:** Two very important subjects. Are there any other questions of Mr. Foley before we move to GO Transit?

**Hon. Mr. Snow:** Mr. Chairman, I would just like to say that we had a most interesting visit this summer, a delegation from the Association of State Legislators in the United States. Mr. B. Passannante, the Speaker of the New York Legislature, is president. We had about 30 or 35 US congressmen and senators visit us last July and we gave them what I thought was a pretty good tour of the transportation facilities in Ontario.

They arrived in Toronto on Sunday afternoon. We booked them into Ian Sinclair's hotel, the Royal York, and the next morning

walked across from the Royal York to Union Station and got on Bombardier's train. We covered all the facets. We rode on the new train down to Kingston, and UTDC provided a very interesting day down there in touring the research facility and the plant of VentureTrans Manufacturing Inc.

Then de Havilland Aircraft of Canada Ltd. supplied a Dash-7 aircraft to fly us from Kingston back to de Havilland. We toured parts of the de Havilland plant and showed our visitors the Dash-7 and the Dash-8. We took them over on a TTC bus to the Wilson Avenue station and rode—

**Mr. Cunningham:** A UTDC minibus?

**Hon. Mr. Snow:** No, TTC bus. Did I say UTDC?

**Mr. Cunningham:** You mean the UTDC minibus?

**Hon. Mr. Snow:** TTC bus. There are too many Us and Ts around here.

We took a TTC bus to the subway station and rode down the Spadina subway back to the Royal York. So they left the Royal York and returned to the same place without setting foot in an automobile, even taking in Kingston and so on.

The following day we took them for a complete tour of the TTC facilities and showed them the articulated buses and the articulated streetcars. We took them out to Scarborough to show them the new facilities being constructed there. We took them to the Malvern garage, I believe, and the Wilson Avenue control centre. We had lunch at another famous location, called Ontario Place.

We took them for a ride on the double-decker GO train from Union Station to metropolitan Milton. At Milton we put them on an Orion bus, made by Ontario Bus and Truck Industries Inc. in Mississauga, brought them out Main Street and up the James Snow Parkway.

**Mr. Samis:** Did you tell them about Snow Road as well?

**Mr. Cunningham:** That reminds me of your Christmas cards of three years ago.

**Mr. Samis:** The one he will never do again.

**Mr. Cunningham:** No trail bikes?

**Hon. Mr. Snow:** No. We brought them out to the Hornby Hilton—

**Mr. Samis:** How did they react when you told them you were a Conservative and you went on government-owned railway to a government-owned manufacturing facility, back in another

government railway, a provincially owned thing—all these government things. Did they say, "You are a Conservative?"

**Hon. Mr. Snow:** Then we brought them out to the Hornby Hilton—that is purely free enterprise.

**Mr. Samis:** That would soothe them at the end of it.

**Hon. Mr. Snow:** The comments we had from those very enlightened people were very encouraging. They just could not believe the transportation facilities and the work we have done here in Ontario. They were totally amazed.

**Mr. Cunningham:** Especially the Republicans.

**Mr. Samis:** Who call themselves conservatives.

**Hon. Mr. Snow:** I did not ask them what colours they were. They were not wrapped in any particular bag.

**Mr. Cunningham:** You can always tell the Republicans. They all wear polyester.

**Mr. Samis:** If they wore three-piece suits, you knew they were Republicans.

**Hon. Mr. Snow:** We spent two and a half or three days with them, and I think we showed them everything there was to see about transportation in Ontario. We were able to show off all our products—the TTC, the GO line, the UTDC, the Orion buses, just about everything we possibly could have. It was something that may very well bring us about some business.

**Mr. Samis:** You are going to get some business out of it?

**Hon. Mr. Snow:** In the future. It is a long-range investment; the investment was really very little, but it worked very well.

**Mr. Cunningham:** Bring them up next year for the World Series.

**Hon. Mr. Snow:** I made a deal with the senator from Atlanta but unfortunately it did not work out. We were both convinced at the time that the World Series was going to be between Atlanta and the Blue Jays.

**Mr. Samis:** The Braves and the Jays?

**Hon. Mr. Snow:** He agreed that if that were the case he would put me up in Atlanta and I would put him up in Toronto when we travelled to see the games. I got a note from him the other day saying unfortunately we were not able to take advantage of each other's hospitality. But there is always another year—we will try again next year.

**Mr. Samis:** Maybe you will get to meet Ted Turner some day.

10 p.m.

**Mr. Chairman:** Thank you, Mr. Foley, for your appearance before us.

Vote 2702 agreed to.

On vote 2705, provincial transit program:

**Mr. Chairman:** Mr. Parsons, I think we are ready for your presentation. We have slightly more than half an hour. Mr. Cunningham, perhaps you could restrict your opening remarks and ask questions instead.

Gentlemen, welcome to our committee.

**Hon. Mr. Snow:** Here they are, GO Transit on display.

**Mr. Chairman:** Are there any questions of the GO Transit people?

**Mr. Cunningham:** What I want to know is how come the trains can go to Milton without stopping and everybody having to get off and we are going to have this system in Hamilton where you have to get off in Oakville and probably buy something and then go to Hamilton?

I am oversimplifying it, but can I get that contract from CN and see for myself just what the impediment is, so that maybe we all can work together to expedite one straight line between Toronto and Hamilton?

**Hon. Mr. Snow:** The contract would not tell you that, in any case. Following our discussion here Tuesday evening or yesterday morning, whenever it was, I advised the Toronto Area Transit Operating Authority of your desire to see the CN contract, which I understand is about that thick. We felt that before we released such a contract we would have to contact the other party, which we did. I understand today that Mr. Leach talked to CN and CN would not agree to the releasing of that contract.

**Mr. Cunningham:** Why not?

**Hon. Mr. Snow:** Do not ask me that. Al?

**Mr. Parsons:** It is a commercial document. They thought it would not be in the best interests of commercial enterprise to have the details of negotiations and the contract agreement released to the world.

**Mr. Cunningham:** I guess it is their right to do that. I want to tell you, it bothers me more than a little bit because I have been told that one of the major reasons we are having this difficulty—I am continually told this—is the nature of the CN contract and the nature of our agreement with CN. I am told that I have to accept that. When I am told that by the minister, I always believe it.

For my own part, I have always wanted to know what kind of financial impediment was there for us, what kind of contractual impedi-

ment was there for us and how we as a government and they as a railway could work out our differences to accommodate the people in Toronto who would want to go to my district and the people of my district who would want to come to Toronto.

**Mr. Parsons:** I think it can be explained relatively simply from the point of view of the interests of the taxpayers of Ontario. If we were to do what has been suggested by many—to attempt to enter into a contract with CN that might cost upwards of \$100 million, as a ballpark estimate, for the addition of another set of tracks, which they tell us are required to get from Oakville over into the Hamilton area—then what we would be doing, in effect, would be making a very generous donation to CN.

They are going to use that roadbed and steel for many years to come. We will use it under the best terms we could negotiate for GO trains as they are required.

That is compared to the decision taken which I believe is a wise one, even though it is going to involve a transfer. I know a transfer is troublesome to Hamilton people, although we have not yet seen the details of what the transfer will be. That is compared to constructing the line on our own right of way, which will inure to the long-term benefit of the citizens of Ontario and not the bottom line of Canadian National Railways.

**Hon. Mr. Snow:** I would love to show tentative plans—the plans are not ready yet—for such things as the Oakville station. The advanced light rail transit trains will come in the upper level, the GO trains at the lower level. You get off the GO-ALRT trains, go down the escalator and get on the GO heavy rail trains. It will be less different from getting off one bus at the corner of Bay and Wellington and getting on another; you will not even have to go outside.

This was of concern to me too, because it will be in existence for a period of years until the balance of the system is built. But I am satisfied in seeing the designs that have been worked out that it is going to be a very simple procedure.

**Mr. Cunningham:** I am not going to split hairs on that subject.

**Hon. Mr. Snow:** No, I knew you would not.

**Mr. Cunningham:** But as a user of the system sometimes and as one who watches them, I see problems. We can design them with all the best intentions but when some person is encountered with a couple of bags or a briefcase or a shopping bag, and he happens to be old

someone who has all of that and happens to be the first person in the line, to put it simply, these are people-oriented problems.

I have watched the crowds at what would be characterized as "crush time," when people get off the GO facilities in Burlington—which reminds me, I have been asked to tell you there are some concerns about the toilets there, but that is another matter—sometimes it takes six or seven minutes, I have timed it, from when the first person gets off the train until my wife gets off the train. She is always the last one off.

**Hon. Mr. Snow:** You should never have got married. You would not have had that problem.

**Mr. Cunningham:** I cannot begin to tell you how it has mellowed me.

**Hon. Mr. Snow:** Is that what mellowed you? By God, she sure whipped you into shape, didn't she?

**Mr. Cunningham:** We could stop and talk about your grandchildren if you want. These are the last estimates and—

**Hon. Mr. Snow:** I have not had any new grandchildren this year. My children are falling down. I got a new son-in-law but not a new grandson. He has an 1,100-cc motorcycle.

**Mr. Cunningham:** You told us that. That is why George feels he is not producing.

**Hon. Mr. Snow:** With stereo and hi-fi and built-in computers and luggage racks on the back.

**Mr. Cunningham:** I am serious about this contract. I do not dispute what you are saying but I do not believe CN has the right to say that to us. I cannot believe that the minister, with the extent of power I know he has, could not exert some moral suasion with those folks. Particularly he should do so with Jack Horner, who used to be philosophically aligned with him at one time.

**Hon. Mr. Snow:** Used to be.

**Mr. Cunningham:** Used to be, before something happened. But I cannot believe for one second—

**Hon. Mr. Snow:** We will try to give you any information you want out of the contract, but I have checked with CN and they will not release the contract.

**Mr. Cunningham:** I find that very frustrating. It is difficult for me to accommodate my objections in the absence of that information. That should be public information.

**Hon. Mr. Snow:** I am not surprised at that, in

a lot of ways. We do not release individual construction contracts or tenders that come into the ministry.

**Mr. Cunningham:** Like what? Like the Burlington Skyway?

**Hon. Mr. Snow:** We release the overall price. The tenders are opened in public and the prices are read out. I mean the tender on a particular highway contract, with pages and pages of unit prices, so many cents a yard for this kind of dirt and that kind of dirt and this kind of rock and that kind of concrete. With respect to the confidentiality, we promise the companies that are involved, we do not let ABC come in and see XYZ's bid to see what their unit prices are on the individual parts of the contract.

**Mr. Cunningham:** That is fair.

**Hon. Mr. Snow:** We release the overall amount of the contract; that is read out in public. I do not think it is fair to tell one contractor—to tell Pigott what KVN's bid was per yard of concrete for that job.

**Mr. Cunningham:** Absolutely, but we are not forced to deal with just Pigott. There are more than the Pigotts of the world, which pleases me greatly because that is why we are getting really good value for money on the Skyway. Here we are captives; we are forced to deal with CN. I do not know what is proprietary about it.

10:10 p.m.

**Hon. Mr. Snow:** I do not know either. I discussed it with you last week and—

**Mr. Cunningham:** Does the deputy minister know why it is proprietary?

**Mr. Gilbert:** Their argument is that they are asked to quote prices in—

**Hon. Mr. Snow:** In Montreal, Alberta, British Columbia and so on.

**Mr. Gilbert:** And also to various shippers along the way. There is a commercial value, of course, attached to it. So they feel, as I understand it—right now I am getting this second hand—they are saying that because of that commercial side of it they do not feel they can release it because it could put them in an unfair position.

**Hon. Mr. Snow:** I think Canadian Pacific says the same thing, that they will not release their contract on it.

**Mr. Gilbert:** They do not want each other to know the difference. It is a very competitive business.

**Hon. Mr. Snow:** Our contract with CP is limited to the one line, the Milton line. All the others are CN contracts, but they both have made the same decision, that they do not want their competitors—

**Mr. Cunningham:** Are the costs comparable?

**Hon. Mr. Snow:** Competitive.

**Mr. Cunningham:** They are competitive.

**Mr. Samis:** Mr. Chairman, could I just ask if the Toronto Area Transit Operating Authority people will be here beyond tonight?

**Mr. Chairman:** We had agreed to have them here tonight.

**Mr. Cunningham:** Mr. Chairman, I will defer to Mr. Samis.

**Mr. Samis:** No, I have only three or four questions. I would just like to reserve about seven minutes, that is all.

**Hon. Mr. Snow:** No, we are not going to run GO Transit to Port Colborne.

**Mr. Samis:** Very quickly, is there any hope on the horizon whatsoever—I bring this up every year—for a decent bus terminal in the city of Toronto?

**Hon. Mr. Snow:** The bus terminal issue is, once again, under active consideration.

**Mr. Samis:** Oh, you sound like a politician now.

**Hon. Mr. Snow:** The decent bus terminal that we have in Metropolitan Toronto is operated by GO Transit at the Yorkville station.

**Mr. Samis:** Yes, that one. Do you know what I am talking about?

**Hon. Mr. Snow:** That one we have control over and we developed it and I think you will find it very satisfactory. The other bus terminal is something we have been working on with the other so-called participants.

**Mr. Samis:** You led me to believe last year there were certain grounds for optimism about making a decision on it.

**Hon. Mr. Snow:** Yes, but that deal seems to have fallen apart somewhat.

**Mr. Samis:** Are you at liberty to divulge why?

**Hon. Mr. Snow:** We were working on a site down near Union Station—across Bay Street from Union Station—on CP or Marathon Realty land behind the federal building, the old freight yards there, which we thought was quite a respectable site. It allowed for intermodal transportation, which we believe in, having the bus station and the VIA Rail station side by side.

One of the problems we find is that the private bus industry and in particular Grey Coach more than the others, but certainly the private bus industry, is not too interested in having the bus station beside the VIA Rail station because there is jealousy. They were concerned that somebody might get off the bus and get on the train, perhaps. Anyway, we looked at that.

Another problem was the Toronto Transit Commission and its plans for the streetcar route that we talked about briefly the other night, particularly the rail vehicle they wanted to put in to serve Harbourfront. They were going to come up Bay Street to Union Station and they were going to use up that lane. That made it almost impossible to turn buses into that particular site. That is a technical problem. There have been other sites looked at but—

**Mr. Samis:** So you are less optimistic this year than you were last year?

**Hon. Mr. Snow:** We have to tell you, unfortunately, we have not made very much progress in the past year.

**Mr. Samis:** I think it is really a shame particularly if you go to Montreal and look at their facility and then get off the bus in this town. Most people in this room never take those buses—

**Hon. Mr. Snow:** I have never gone by bus to Montreal, I am sorry.

**Mr. Samis:** You ought to try it some day, think it is the best experience. It is just a bus league facility that Toronto has.

**Hon. Mr. Snow:** We are not proud of the intercity bus terminal in downtown Toronto.

**Mr. Samis:** With good reason. Can I just ask where things stand with the ongoing formation of some new transit authority once the government of Ontario advanced light rail transit system comes into being? I presume you are consulting the various municipalities at that stage and getting their ideas.

**Hon. Mr. Snow:** I think the deputy minister the man best equipped to answer that question.

**Mr. Gilbert:** What we are looking at, and course it is not only as far as GO-ALRT concerned, but we have felt for some time certainly as far as transit is concerned, that we should make it as easy as possible to move from one operator to another, and a number of problems are involved as far as interregional transit is concerned that are just not in the area where GO Transit could serve. In other words there are areas where it would be better for, s

the Toronto Transit Commission to go into Vaughan township or for Mississauga Transit to come into Metro Toronto or for the TTC to go into Mississauga.

With all of these kinds of problems, whether it be ticket sharing or what have you, we felt in discussions with the operators, which, of course, include Go Transit, that some work should be done to try to facilitate the best use of all the transit that is available in this whole area over the years ahead.

So we commissioned a study about a year and a half ago and a fellow named Paterson was asked to look at this. He came up with a number of options, which have now been discussed with the various operators. We are now receiving input back to the ministry as to what those operators feel about the options, what best option could be used. He is suggesting that a very small secretariat should be set up within the ministry that could work with the operators to try to facilitate the solving of some of these problems, not only right now—I do not think there are problems right now—but in the years ahead.

I think that is going ahead quite well, Mr. Samis, and we are getting the co-operation of all the operators.

**Hon. Mr. Snow:** The role of the Toronto Area Transit Operating Authority and of GO Transit is to serve interregional transit, but as the use of transit has developed it is obvious that in addition to TATO—TATO does not cause a problem in the interregional—there are other options to use. We have Mississauga Transit hauling thousands of passengers across the Metro border into the Islington station, probably to be changed to the Kipling station, and it would be unrealistic to say that those people are going to get off the buses at the Metro border and let the TTC pick them up.

**Mr. Cunningham:** That is going to happen with Canada Coach if we do not look after them, but that is another matter. How far away are we from one great big transit authority?

**Hon. Mr. Snow:** A long way, I think.

**Mr. Gilbert:** Certainly from a personal point of view I do not see any need for any super transit authority. GO Transit is serving the interregional transit needs that were foreseen when GO Transit was set up and, as we have said, there are these other kinds of problems where the cross-border traffic can be looked after by the operators who are already in existence. As I say, from a personal point of

view I do not see any need for any so-called super transit system.

**Mr. Samis:** I would just like to raise two items quickly. One I must confess I am not familiar with and I would ask you if you can enlighten me. Is there some proposal to contract out Gray Coach to private contractors as part of the GO long-term plan?

**Mr. Parsons:** Mr. Chairman, Gray Coach is a contractor to GO Transit and has been since 1967. Their present contract is terminating at the end of this year and discussions have been held. It was felt by the board of GO Transit that a study should be done to consider the alternatives and the options that could be examined—for instance, public tendering to see what other bus companies would do in so far as competition goes with the rate that Gray Coach might charge. The continuation or extension of the existing agreement was an alternative. Our third alternative was the engagement of drivers by GO Transit as a direct employer. That study is in hand and will be considered by the GO board.

**Mr. Samis:** The contract expires at the end of this year?

**Mr. Parsons:** The end of this year.

**Mr. Samis:** How long a contract was it?

**Mr. Parsons:** The last contract was a three-year contract.

**Mr. Samis:** No decision has been made as to what avenue you are going to take?

10:20 p.m.

**Mr. Parsons:** No decision has been made at this point, no.

**Hon. Mr. Snow:** I might say that when GO Transit started out in 1967, it was strictly a one-line rail system. Then eventually it evolved into getting into some buses. I think we started off with 10 buses. With a 10-bus system it made very good economic sense to contract out the operation of those buses, and the contract was with Gray Coach. Over the past 15 or so years we have gone from 10 buses to 250 buses.

**Mr. Parsons:** We have 200.

**Hon. Mr. Snow:** What happened to the other 50?

**Mr. Parsons:** We sold them.

**Hon. Mr. Snow:** In any case, I think the action the board has taken with the contract coming up is only appropriate. It is looking at the situation and will make a decision in the future.

**Mr. Samis:** I will just leave you with one final brief delicate question from a transit point of

view, co-ordinating various services and facilities. Are you a supporter of the domed stadium at the Lakeshore site?

**Interjection:** He has his own axe to grind.

**Mr. Parsons:** I have a bit of a problem, Mr. Chairman. I am from Mississauga.

**Mr. Samis:** Forget about the politics of it.

**Mr. Chairman:** Would you like to take that under advisement?

**Mr. Haggerty:** Mr. Chairman, I have a question about the new bus terminal that was supposed to have been on the agenda. Some agency was supposed to be constructing a new one near the new development at Harbourfront. I was surprised that the comment made was that it is up to some other agency.

One of the problems with the present one at Dundas Street right now is the number of GO buses going in there. It causes a lot of congestion down there with moving vehicles around and it is inconvenient for the passengers who have to stand in that cold building. It is not very accommodating in the cold winter months coming up. Surely you people must have some responsibility to be pushing for a new bus terminal downtown.

**Mr. Parsons:** We are certainly interested in it. I would say, though, and I think Mr. Haggerty would agree with us, that it would be frivolous if we were to go off in our direction and build a bus terminal that would accommodate just GO Transit passengers and then have Gray Coach maybe attempt to duplicate it with provincial money to a large extent.

**Mr. Haggerty:** I understand even Gray Coach wants to move from Dundas Street.

**Mr. Parsons:** They are having second thoughts lately, apparently, about moving. One of the reasons we got into problems with Bay Street, as Mr. Samis was speaking about, was that Mr. Cass, the Metro roads commissioner, has difficulty consenting to bus traffic coming up and having to get back down from the Gardiner area up under the subways and back down Yonge Street. That is one of the problems they have had.

**Mr. Haggerty:** Because of the new convention centre down there, I thought that was a good area to have the bus terminal. You could tie in with the TTC, the streetcars—

**Hon. Mr. Snow:** There does not happen to be any TTC at the new convention centre, unfortunately.

**Mr. Haggerty:** No, but it is in that area. There is sufficient parking area. Since there were proposals to construct a new bus terminal downtown, I just thought you people had some responsibility.

**Hon. Mr. Snow:** "Down there" is a very vague statement.

**Mr. Haggerty:** I mean downtown.

**Hon. Mr. Snow:** There have been different sites.

**Mr. Haggerty:** Let us say down below Front Street. I understood it was supposed to be in that area somewhere and it was still to be taken into consideration.

**Hon. Mr. Snow:** We have been working with the city of Toronto, with Metro, with Gray Coach, with the other private bus operators with GO Transit, and with the Metro Toronto planning department to try to come up with a solution. As of yet, one has not been decided upon.

**Mr. Haggerty:** At one stage they were talking about building it way up north someplace, near the subway area.

**Hon. Mr. Snow:** What subway?

**Mr. Haggerty:** The one that just opened up there.

**Hon. Mr. Snow:** Spadina?

**Mr. Haggerty:** Up in that area.

**Hon. Mr. Snow:** We have it. As I just mentioned a few minutes ago, we have an excellent new bus terminal at Yorkdale.

**Mr. Haggerty:** Yes, that is where it is.

**Hon. Mr. Snow:** That one is in place. We built that seven or eight years ago.

**Mr. Haggerty:** People who are coming in to Toronto are not going up there and then coming downtown by subway.

**Hon. Mr. Snow:** It depends on where you are coming from. Many do.

**Mr. Haggerty:** I am talking about the Gray Coach services.

**Hon. Mr. Snow:** A lot of the Gray Coach buses come in there too, do they not? Gray Coach uses that centre for people who come down from north of Toronto.

**Mr. Haggerty:** I do not know. I use the service quite a bit.

**Hon. Mr. Snow:** We are not going to get people from Niagara Falls or Fort Erie going up there and coming back downtown.

**Mr. Haggerty:** There is a great crowd that comes in from Buffalo to see the Blue Jays. When you get all that—

**Hon. Mr. Snow:** I presume they are going directly to the CNE; they are not coming downtown.

**Mr. Haggerty:** Not necessarily, but quite a few visitors are coming in and—

**Hon. Mr. Snow:** They will only have to come to Oakville after a couple of years. They will not have to come into Toronto at all.

**Mr. Haggerty:** The other question I want to direct to the minister and the staff is, have you any long-range program for running the GO system to Niagara Falls?

**Hon. Mr. Snow:** No, N-O.

**Mr. Chairman:** What about Cambridge?

**Mr. Haggerty:** This service is provided by Gray Coach. I have often thought it would be right for the government to take it over now and run the GO buses down through the peninsula.

**Hon. Mr. Snow:** That is another view on how to use private enterprise.

**Mr. Haggerty:** It is a good paying route for Gray Coach. One of the difficulties with the Gray Coach system, I understand, is that they can only go as far as London. If they could tie in with Windsor and other communities in that area, they would run a good commuter system, I could say.

**Hon. Mr. Snow:** I am not aware they have ever applied for that.

**Mr. Haggerty:** They are having difficulties maybe because Greyhound has the franchise.

**Mr. Parsons:** It is available this week; Greyhound is not there.

**Mr. Haggerty:** I just think there are areas you can improve on. Whether you are responsible for an area or not, I think you have to look at other intercity transportation. You have to make sure people have a good busing system available, and not only in Metro Toronto. I think the minister has a responsibility—

**Hon. Mr. Snow:** I have not had any complaints from Windsor that it lacks bus service to Toronto. In eight years and one month and one week, I have not had any. Have you?

**Mr. Haggerty:** I am just bringing it to your attention that there is that difficulty. You get to

London and you cannot go any further. You might have to wait on a pickup from Greyhound.

**Mr. Gilbert:** I am not aware of any complaints either. It is very competitive and it is a wonder a bus company has not applied to the board if there is a vacuum anywhere. Certainly, Voyageur has been very active, as well as Gray Coach and other bus companies. They would be applying to the board if there is a vacuum there. It would be a chance for them.

**Mr. Haggerty:** I suppose maybe they are happy with the run from Niagara Falls to Toronto or from Buffalo to Toronto. It is a good paying proposition and perhaps they do not want to extend the risk.

**Hon. Mr. Snow:** They will extend to any place they can make a dollar.

**Mr. Haggerty:** That is what I am saying. They all will. But I think somebody is going to have to give some direction to ensure there is good intercity bus service.

**Hon. Mr. Snow:** I have no indication that there is not satisfactory intercity bus service to Windsor.

**Mr. Chairman:** Mr. Cunningham, do you have something to add?

**Mr. Cunningham:** Probably in about the next week or so the Grossman-Davis dispute with regard to whether there is going to be a restraint of 4.2 or 4.6 per cent increase will be resolved and we will all know what it is going to be. What effect will that have on transit rates? Can we determine now that you people will be in the mainstream of progressive thought in keeping your rates commensurate?

**Mr. Parsons:** I think the answer to that would be that there will probably more than one formula cited in the act likely to be brought forward. It would be pure speculation to say anything tonight, other than to give you a commitment that we will do as we always do, namely, we will try to keep the rates as low as possible while still having a user-charge philosophy recognized.

Vote 2705 agreed to.

**Hon. Mr. Snow:** Do you want to carry two or three more while you are at it?

**Mr. Chairman:** Yes, we still have a few. We will be meeting next Tuesday at 8 p.m.

The committee adjourned at 10:30 p.m.

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- Haggerty, R. (Erie L)
- Piché, R. L. (Cochrane North PC)
- Samis, G. R. (Cornwall NDP)
- Snow, Hon. J. W., Minister of Transportation and Communications (Oakville PC)

**From the Ministry of Transportation and Communications:**  
Foley, K., President, Urban Transportation Development Corporation  
Gilbert, H. F., Deputy Minister  
Parsons, L. H., Chairman, GO Transit







# **Hansard**

## **Official Report of Debates**

### Legislative Assembly of Ontario

**Standing Committee on Resources Development**  
Estimates, Ministry of Transportation and Communications

**Third Session, 32nd Parliament**  
Tuesday, November 8, 1983

Speaker: Honourable John M. Turner  
Clerk: Roderick Lewis, QC

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# LEGISLATIVE ASSEMBLY OF ONTARIO

## STANDING COMMITTEE ON RESOURCES DEVELOPMENT

**Tuesday, November 8, 1983**

The committee met at 8:03 p.m. in room 228.

### ESTIMATES, MINISTRY OF TRANSPORTATION AND COMMUNICATIONS

(continued)

On vote 2704, provincial highways program:

**Mr. Chairman:** I call the committee to order.

Does anyone have any concern over provincial highways in a particular community?

**Mr. Cunningham:** I do, Mr. Chairman. I would like to refer to what has been characterized in my own community as the largest bottleneck in Ontario, which, of course, is the Hamilton Skyway, or the Burlington Skyway as people in Burlington would prefer to call it.

I have two concerns. First of all, I would like to have an update from the minister with regard to what progress we are making on the contracts. I appreciate being invited to the official opening.

**Hon. Mr. Snow:** Not the opening; that was the sod-turning.

**Mr. Cunningham:** The sod-turning or dirt-turning. There was no sod there; it was just dirt. The minister was very able, with regard to his operation of that heavy equipment as he turned the dirt. I am sorry I was not able to participate in the extracurricular activities at the Burlington Golf and Country Club. As I mentioned earlier in the estimates, I was otherwise occupied and had to buy my own lunch that day.

If I could digress, I noticed that the member for Burlington South (Mr. Kerr) was also buying his own lunch that day, which was either an indication that the quality of food at the Burlington Golf and Country Club had fallen off or—

**Hon. Mr. Snow:** We did not have lunch.

**Mr. Cunningham:** You did not? Just nibbles and cocktails?

**Hon. Mr. Snow:** No, just tea and crumpets.

**Mr. Cunningham:** That explains why the member for Burlington South was at Hoolihan's, just four tables away from myself, when I was discussing the possibility of a man getting his Queen's Counsel. Mr. Kerr saw us and I think

that man once again will be left off the list, but we will not get into that and I will not tell you his name.

**Hon. Mr. Snow:** He bought your lunch?

**Mr. Cunningham:** No, he did not.

**Hon. Mr. Snow:** That is why he is not getting his QC.

**Mr. Cunningham:** No, I have absolutely no control over that, but if the chairman will permit this digression, I would say that if we ever got into power there would be a whole section in the Globe and Mail required to accommodate the new QCs in Ontario.

**Hon. Mr. Snow:** You do not have very many Liberal lawyers but you would have a bit of a waiting list.

**Mr. Cunningham:** We have had over the last 40 years; you are more aware of that than anybody. In fact, today over the course of lunch, which was very kindly sponsored by the Ontario Real Estate Association, they indicated that 87 per cent of all land in Ontario is owned by the government. I indicated to one of my good friends, who happens to work for your party, that if we just give you guys another 13 years you will have it all. You were supposed to laugh at that one.

They also indicated that for the last 13 years they have been waiting for some amendments to the act that would allow them to be self-governing. They are very impatient after 13 years of advancing this view that they had not been favoured with support. I told them they should not be so impatient because there were a few of us there at lunch who had been waiting for 40 years, but we will not get into that either.

**Hon. Mr. Snow:** You must have been very young 40 years ago.

**Mr. Cunningham:** I was young once upon a time. I was young at a time when people referred on tenders and we had free enterprise, and we did not have as much government as we have now. Government was not 42 per cent of our gross national product when I was 16 years of age. When you were 16 years of age, it was not 16 per cent of the gross national product.

**Hon. Mr. Snow:** You sure as hell were not 16 years of age 40 years ago.

**Mr. Cunningham:** No, I was not.

I want to talk about the skyway bridge and I would like to be updated with regard to what kind of progress we are making. It would appear that people are busy out there and I would like to know what kind of time frame we are looking at with regard to completion of those projects.

I also had the good privilege of attending what I would characterize as a free lunch, which took place in this very room a week ago today. The member for Wentworth, the Minister without Portfolio (Mr. Dean), who shares the other half of what was the county before regional government, was advocating the imposition of tolls on that skyway—after it is completed, of course, because you would not want to charge a person a toll for going through it now. His view seemed to be at variance with yours and my own, but if you wanted to reiterate your position with regard to that for the purpose of the record I would be most grateful.

Again, I say we are most happy there seems to be some progress on the skyway. This is an annual occasion for you to indicate where we are with regard to those highway improvements and exactly when we might expect completion.

**Hon. Mr. Snow:** I believe the skyway project is on schedule. I have not inspected it since a week ago Sunday but it was on schedule then. We have a number of the abutments up. The abutments at both ends of the bridge are up and they have the Pigott sign on both of them. They are working on the other piers; they are driving piles and working towards the centre span. They are starting to pour the heads on top of the pier. I think everything is coming along very well.

**8:10 p.m.**

Of course, the main contract is the Pigott Construction contract for about \$38.7 million. In addition to that, there is the King Paving contract at the north end doing Highway 2 and the connections on the arterial. That is coming along very well. The Highway 2 structures are all built; a lot of the paving is done. To the north of that, the major contract on the Fairview interchange is under construction. Bot Construction is working away on that. The abutments are in for the Fairview Avenue bridge.

Then at the south end there is the Burlington Street and Woodward Avenue interchange improvements. They are well under way by King Paving. Then there are two Dufferin Construction contracts in between that are pretty well finished. The third one of that group

of contracts was the widening of the lift bridge. That seems to be finished. I cannot see anything left to do, except they have not opened the four lanes yet. They are still operating it as a two-lane bridge.

Generally, things are coming along very well. There are a couple more contracts, I believe, to be awarded next year, one at the south end to connect the arterial road between where it ends at present and Woodward Avenue. Then there is another contract at the north end, part of the Fairview interchange. As far as I know, the bridge itself is scheduled to be completed some time in 1985.

**Mr. Cunningham:** The property acquisition is complete?

**Hon. Mr. Snow:** I believe so.

**Mr. Cunningham:** I have had several complaints about private individuals but I was not totally apprised of the situation.

**Hon. Mr. Snow:** The only one I am aware of is a property acquisition about which I met with the owner a couple of weeks ago. That is for a little bit of a connection between Fairview and Plains, just to the west of your friend, Duke Lawn Equipment. I cannot remember the name of the owner but there is a connection there. There is still an outstanding property item there.

**Mr. Cunningham:** There was an issue on the beach strip but I guess it has been resolved.

**Hon. Mr. Snow:** I am not aware of any outstanding issues there.

**Mr. Cunningham:** Finally, on the subject of tolls, your colleague in cabinet has indicated he favours the idea of tolls, and we have indicated we feel this would disrupt the traffic flow.

**Hon. Mr. Snow:** There are no plans, and not thinking to my knowledge, of reimplementing tolls on bridges. It has been government policy now for a number of years, as you know, to have a totally toll-free system, and I am not aware of any thought of changing it.

**Mr. Cunningham:** So he was just not aware of the policy.

**Hon. Mr. Snow:** He may have an opinion. Have an opinion myself.

**Mr. Cunningham:** You would like to do it?

**Hon. Mr. Snow:** If I had had my druthers, we would never have taken the tolls off. Now that they are off and we have a toll-free system, I am not sure we should reimplement it.

**Mr. Samis:** Mr. Chairman, I trust the denti-

will take it easy on our colleagues who said they would come in to raise some of these matters. I just want to go over several matters quickly.

One is the Queensway, which Mr. Cassidy said he was going to bring up but I gather he is not going to be here tonight. I do not want to go over all the arguments that were hashed through the House when we had the exchange with Mr. Peterson and Mr. Cassidy. Essentially, can I just ask, in terms of the timetable that has been set up for the Queensway, is the dominant, deciding factor in setting up your timetable the budget versus technical problems or construction problems?

**Hon. Mr. Snow:** No, I would not say either one of them is dominant. My staff, in setting up that program, originally suggested we call one contract every two years. That is the way we did Highway 401 west of Toronto and Highway 401 east of Toronto.

**Mr. Samis:** So you are saying that the pace you have set for yourself is essentially unrelated to the budget?

**Hon. Mr. Snow:** You asked a question. Please give me a chance to answer it.

**Mr. Samis:** Okay. Go ahead.

**Hon. Mr. Snow:** The way we have normally carried out these types of projects, because they normally are of a size such that they cannot be done in one construction season, is that we have attempted to call those contracts one job every second year; that gives the contractor a chance to get in there, do the job, finish it up and get out of the way before the next contract is called. That is how we came about with the suggested eight-year schedule for the four major contracts on the Queensway. Of course, that fitted pretty well into budgeting. We could then budget ahead one contract every two years.

We have now reviewed the situation. We have looked at it with the region of Ottawa-Carleton and the region has agreed it would not be feasible to have more than one contractor in there at the same time or to have more than one section ripped up at the same time. But in order to try to get the overall project finished in a shorter time—we have the second contracts, as a matter of fact, ready to tender right now as far as engineering and design are concerned—we have said that next summer, whenever we can be light at the end of the tunnel with the present contract and know when it is going to be finished, we will then call the next contract so there can be continuous progress instead of

letting three, four, five or six months elapse in between contracts.

By doing this I have said that, barring strikes, bad weather, early freeze-ups, late springs and all the things you can have that can affect construction in this country, we hope we can complete the four contracts in five years and we are setting up schedules to try to meet that objective.

**Mr. Samis:** From the time you announced the project until today, is that the major change you have made in view of the pressure and the criticism of the timetable and everything else?

**Hon. Mr. Snow:** That is the only one.

**Mr. Samis:** No other changes have been announced in the process?

**Hon. Mr. Snow:** I do not really recall announcing the contract. It is a rather routine situation. We have a 20-year-old highway whose pavement is deteriorating, the bridges' decks are deteriorating, it needs an overall maintenance appraisal.

**Mr. Samis:** I do not think anyone is disputing the need for the project.

**Hon. Mr. Snow:** You have to remember that the region of Ottawa-Carleton is on record as stating that its highest priority is their transit way rather than any improvements to the Queensway. So it was really the ministry's initiative to implement that Queensway project; it was not in response to requests from the region of Ottawa-Carleton.

**Mr. Samis:** I think your deputy was going to say something.

**Mr. Gilbert:** Mr. Chairman, I was just going to comment further that, as the minister said, certainly everything we have done has been in conjunction with the discussions we have had with Ottawa-Carleton, not just lately but over the last number of years.

As the minister said, when we first started talking about doing something on the Queensway, we went to them on the basis that work had to be done but, recognizing that it is right through Ottawa, we were going to have a tremendous impact on the traffic on the arterial roads in Ottawa. So certainly all of the work our staff has done over the years has been in conjunction with discussions with the Ottawa-Carleton regional staff.

**Mr. Samis:** I suppose there is a certain traumatic effect there since it is their only major expressway and they have never had this before, whereas the people of Toronto are somewhat

accustomed to different projects on major expressways.

**Mr. Gilbert:** They have had the Ottawa Queensway for a long time, as you know. They have had that since the mid-1950s, when it was started.

**Mr. Samis:** Can I ask you the perennial question about Highway 16, whether or not your studies indicate any developments in that respect?

**Hon. Mr. Snow:** How do you mean "developments"?

**Mr. Samis:** Upgrading it to four lanes is the perennial request.

8:20 p.m.

**Hon. Mr. Snow:** No, there has really been no request at this moment for Highway 16. We have completed one grading contract from the river north and the second grading contract is almost complete or may be completed by now. That takes it up to regional road 8. By this fall or thereabouts, the two-lane grading on all that remaining section will be completed and then the plan is to call a paving contract to pave over those two grading contracts.

The next project will be to pave that section. That follows along with our plans to complete the new Highway 16. We have bought the right of way for a four-lane highway and we have bought the land for the interchanges and so on, although they are not being built as part of phase 1. It is going to have that grade intersection.

The north end going into Ottawa has been the subject of a very intense study by the ministry and the region. It has gone through the study stage and the recommendations have been made and adopted by the region; that is, to continue with it from regional road 8 into the Queensway.

That proposal has been adopted by the region. We are now in the process of finalizing our environmental assessment document, which is to be submitted to the Ministry of the Environment this fall. Once we get the environmental assessment approval we will be able to proceed with the next stages of acquiring property and designing the highway.

**Mr. Samis:** Can I ask a question about Highway 401?

**Hon. Mr. Snow:** I am sorry, just to finish regarding Highway 416. The fact is that we would continue the two lanes of new Highway 16 north from Highway 401—some of it was built a number of years ago and then it was stopped—and we are continuing the rest of it

through to regional road 8. I said we would then carry out a study in conjunction with the region for the balance of the route. This has been done and has been accepted and is now in the environmental assessment process.

Then our plan is to start from the Queensway and work south with a four-lane cross-section until we meet the new two-lane, then over a period of years twinning the existing two lanes in sections down to Highway 401, so that eventually we will have a four-lane, divided, totally controlled-access, grade-separated highway from the Queensway to Highway 401.

**Mr. Samis:** What period of time do you envisage for that process to be completed?

**Hon. Mr. Snow:** We do not have a time frame on it. I hope that the paving of the two-lane section up to regional road 8 will be completed next year. I expect it will take a minimum of a year—maybe two years—to get the environmental assessment approval for the other section. Then a couple of years for property acquisition and design.

There is not a pressing need for that four-lane highway all the way down to Highway 401. Once we get the new two-lane section through, that is going to relieve a great deal of the pressure, and we are probably talking 10 years minimum before all the other work will be completed.

**Mr. Samis:** I have a question on Highway 401. I received a letter from a gentleman in West Hill and I will just quote parts of what he says:

"Dear Sir: The grooved pavement on the 401 adjacent to and through the Neilson Road interchange generates far more tire noise than elsewhere. All one must do to appreciate the problem is drive on the 401 in either direction between Morningside Avenue and Markham Road.

"When one considers noise pollution, is it not time to realize that this experiment is a failure? Tire noise carries a lot farther than engine noises. Is there not a type of whisper pavement that could be used to suppress the tire noise?"

I just ask you to comment on: first of all, was that an experiment; second, what conclusion have you come to; third, what are you doing as a result of the problem?"

**Hon. Mr. Snow:** When Highway 401 was built it was built as an exposed concrete pavement. Over the years, with the tremendous amount of traffic, the concrete pavement wears smooth, so you end up with a surface that is slippery when wet. I guess that is the best way of explaining it.

We have gone through the process of doing

the grooving. The surface did not need resurfacing for any reason other than the skid resistance. We carried out a number of projects. Some early sections we grooved longitudinally—lengthwise to the highway, in other words—and then found out that was not the best way. The last two sections we grooved crosswise. That gives us good water drainage off the surface of the highway. When it rains, it runs down the grooves. It also gives good traction, but it increases the noise level. We are not doing any more of that. We have not for the last three or four years.

As those sections need resurfacing, we are resurfacing them with the new carpet seal pavement, the open-graded pavement, which is very quiet. Of course, when you are driving along Highway 401 today and you go off the grooved concrete on to the carpet seal pavement you notice a distinct difference.

**Mr. Samis:** What is being done with this stretch? Is it awaiting reaching that stage?

**Hon. Mr. Snow:** When it needs resurfacing it will be resurfaced with this new type of pavement, which will cut down the noise greatly. I cannot tell you when it will be done.

**Mr. Samis:** So this gentleman will have to await that stage?

**Hon. Mr. Snow:** We are doing sections. Highway 401 is an ongoing, never-ending process. There are sections being resurfaced every year.

**Mr. Gilbert:** Meanwhile he has a safer surface to drive on.

**Mr. Samis:** I am not sure if I have the correct location here because I lost the sheet that had the details. Have you had some problems with the bridge on Highway 409 at Bloomington?

**Hon. Mr. Snow:** Highway 404.

**Mr. Samis:** It was scheduled for completion this year. Now I understand it will not be finished until 1985. Is that correct?

**Hon. Mr. Snow:** We have had an abutment failure on one bridge. There was a contract awarded a year ago or so for, I think, for five structures on Highway 404, which included the Holland River crossing and a couple of railway crossings. That was a preliminary structure contract for those structures, to be followed up by a grading contract, which is normal procedure.

During the backfilling of one of those bridges one of the abutments shifted. There will be a new tender called, I believe in December or

January, one or the other, for the necessary repair.

**Mr. Samis:** What is your guess as to the added price tag as a result?

**Hon. Mr. Snow:** As I recall, \$700,000. That is the claim back against the designers of the bridge.

**Mr. Samis:** Can you give me an approximate figure of how much in your roads budget maintenance was saved last winter as a result of the mild temperatures?

**Hon. Mr. Snow:** Last winter, you have to remember, was the year before's budget. The budget we are talking about now started April 1.

**Mr. Gilbert:** First, I should tell you, Mr. Samis, that when you have a mild winter you often get the type of snow that requires a good deal more salt than you would need on some of the cold, heavy snowfall winters. The salt is a very costly item.

I acknowledge there was certainly a saving, particularly as far as overtime is concerned. Although we have to staff up, as you know, for regular service, we were able to save on the amount of dollars going into overtime. There was also some saving on fuel, etc., connected with ploughing. As far as chemical is concerned, salt is concerned, mild winters, particularly when you have freezing rain and conditions like that, do result in more costs as far as it concerns the amount of salt used, particularly in areas such as your own in eastern Ontario. But certainly there was a saving.

**Hon. Mr. Snow:** That saving was not uniform across the province.

**Mr. Gilbert:** No, that is right.

8:30 p.m.

**Hon. Mr. Snow:** It was not experienced in northern Ontario nor in certain sections of southern Ontario, even in the municipal areas. I see some of the municipalities with sand piles and what not that they had put in last winter still pretty much intact. There was a carryover of the sand they bought last year, which will maybe save them some money this year.

**Mr. Samis:** Did I hear you say there are certain parts of the province where you do not figure there were any savings?

**Hon. Mr. Snow:** I think in northern Ontario.

**Mr. Gilbert:** In northern Ontario there was snow.

**Mr. Samis:** Did you guys not have a mild winter?

**Mr. Wildman:** Southern Ontario winter.

**Mr. Gilbert:** I know, but again, when you have those kinds of winters in northern Ontario you do run into a fair amount of what I call freezing rain.

**Hon. Mr. Snow:** You save on ploughing but use more salt and sand.

**Mr. Wildman:** You mean you changed your policy of stopping the salt at Batchawana and went further north?

**Mr. Gilbert:** It is still costly, whether it is salt or sand and salt, but I am the first to acknowledge there certainly was a saving last year. We could not put an actual dollar figure on it; we cannot compare last winter with a regular winter.

**Mr. Samis:** Finally, could you give me some idea of how advanced you are in your program of installing passing lanes at intersections on two-lane highways? I think this is an excellent program. Have you pretty well done what you wanted to do?

**Hon. Mr. Snow:** I do not like your reference to passing lanes at intersections.

**Mr. Wildman:** Turning lanes.

**Mr. Samis:** Turning lanes, sorry.

**Hon. Mr. Snow:** Turning lanes are one thing and passing lanes are another.

**Mr. Samis:** I stand corrected.

**Mr. Wildman:** Then there are truck climbing lanes.

**Mr. Samis:** How far advanced is your program, relating it to your objectives around the province in that respect?

**Hon. Mr. Snow:** Those are put in as we resurface a highway. We normally do not do that as an individual product of intersection improvement. In some cases we may; in others we do not.

Normally, passing lanes, truck climbing lanes and intersection improvements are carried out as a highway requires resurfacing. We include that in the resurfacing contract.

**Mr. Samis:** You do not do them unto themselves?

**Hon. Mr. Snow:** Not normally. There may be individual cases where we do but normally, in northern Ontario especially, we do it as we are upgrading a highway or when a piece of highway comes up for resurfacing. It is then we apply the new standards to it of turning lanes, right-turn

lanes, left-turn lanes, acceleration tapers, truck climbing lanes, passing lanes and partially or fully paved shoulders.

**Mr. Samis:** They are an excellent addition to the highway system. I commend you for it and hope you continue it throughout the province.

**Hon. Mr. Snow:** That, along with median guarders and other things, is a substantial part of the reason for the decrease in the number of deaths and injuries on our highways.

**Mr. Samis:** That is it for me, Mr. Chairman.

**Mr. Chairman:** Mr. Williams is the next speaker.

**Mr. Laughren:** Really? Can we vote on that?

**Mr. Chairman:** That is a chairman's prerogative.

**Mr. Williams:** Thank you, Mr. Chairman. Outside of the Highway 427 and Highway 401 interchange I guess the largest and most heavily used one is the one at highways 401 and 404. That happens to be located in the geographic centre of the riding of Oriole, which I represent.

Mr. Samis was talking about one element of that highway configuration, Highway 404, a few moments ago. I wanted to discuss a couple of problems that relate to that highway. One of them was regarding the north end of 404, although it is out of my riding.

It is such a significant undertaking, benefiting the east end of northeast Metro and east Metro and my area in particular, there is some real concern as to the delays that are being experienced. The delay is due to the bridge problem referred to earlier, up at the Bloomington side road.

What I wanted to pursue a little further with the minister is not just the cost of remedying the fault that has occurred in the bridge; of equal importance is the timing to correct that situation and get the total project back on stream. How much delay are we going to experience there? We have lost this building season, of course, and it is of considerable concern to the people within the catchment area who use that major expressway whether it is going to be ready in 1985 or 1984.

**Mr. Stokes:** Stop mumbling, John. I am interested in Oriole, too.

**Mr. Williams:** So it is of some concern what is being done with regard to that.

**Mr. Laughren:** We all have our eyes on Oriole, John.

**Mr. Williams:** Good. I am glad that you have.

**Hon. Mr. Snow:** Oriole is in safe hands.

**Mr. Williams:** That is right. Perhaps the minister could provide some information as to the time delay factor and what is going to be done, if anything, to accelerate the work there to recapture some of the lost time; and on a longer-term basis perhaps he could just indicate what the total extent of the Highway 404 project is scheduled to be. I do not have the long-term projection manual here, I simply have the current 1983-84 data dealing with the specific work in progress during this construction year.

Could you just bring me up to date on those things as they relate to this bridge failure situation, then I will come down to the south end of the highway and discuss a matter of some concern right in the riding?

**Hon. Mr. Snow:** First of all, the failure of this bridge abutment did delay the overall project, because the follow-up contract to those bridges was intended to be called about last August or so, I think; then when the bridge problem developed that contract had to be delayed.

Now we have this contract being called in January, I believe it is, to remedy the bridge problem, and I hope we are going to call the grading contract next June. So you can see that we have almost lost a year as far as getting ahead with the project is concerned. There are two more contracts, if I remember correctly, after that particular one to complete Highway 404 to Davis Drive, which is as far as we are planning on taking it.

We have lost time on the project because of this bridge problem. The funding that was to have gone into that grading project has gone into other projects. They have just sort of switched one job for another in order to keep all that program on schedule as best we can. We are hoping to call that grading contract next June.

**Mr. Williams:** Is there any reason why at least the surfacing work could not have been undertaken from the Bloomington side road up to the bridge itself?

**Hon. Mr. Snow:** The grading is not completed; you cannot surface it until the grading is done. The grading is to be a second contract. Some of those contracts—I cannot remember on that particular one—are for grading only, with a follow-up paving contract; some of them are paving and grading as a total contract.

From Bloomington north to Aurora side road is a split contract. It is really three contracts in that section. There is one for the advance structures, then there is a grading contract and a

paving contract. There is another split in contracts from the Aurora side road to Davis Drive.  
8:40 p.m.

**Mr. Williams:** Certainly all the ramping down at the Bloomington end appears to be in place.

**Hon. Mr. Snow:** The interchange is built, yes, and the grading will be carried out, maybe for 100 yards north of Bloomington, then it dies out.

**Mr. Williams:** I see. The phases that will be proceeded with after you get to the Aurora side road, which was part of that contract as I understand it, would leave two more sections to be done up to Davis Drive from the Aurora side road. Is that correct?

**Hon. Mr. Snow:** No. It is all one section, but it will be done in about three different contracts.

**Mr. Williams:** Okay. What was the phasing intended on those three contracts? Does that mean there will be one in each construction year? Basically, what time will it be finished?

**Hon. Mr. Snow:** There is to be a contract for advance structures on St. John's Road, the Bogart Creek, regional road 12, and regional road 31 or Davis Drive. That was to be followed up with a grading contract and that was to be followed up with a paving contract.

**Mr. Gilbert:** One follows the other, Mr. Williams.

**Mr. Williams:** I understand that, but how many of them would be undertaken in each building season?

**Hon. Mr. Snow:** Basically, one a year.

**Mr. Williams:** Then it would appear we would be finished there in 1986 and have it completed by then.

**Hon. Mr. Snow:** That was the plan, to have it all finished. It was to be finished to the Aurora side road earlier. That is one thing about Highway 404, the way we have been able to schedule that. Every time we finish a couple of miles of it, it goes into full use right away. The minute you open it, it is being well used, from Bloomington down.

The next section we have to get finished before we add another section that is usable is to Aurora side road. Once it is finished to Aurora that will alleviate the situation a lot. Then there is one more section after that to go to Davis Drive.

**Mr. Williams:** Great. Coming down to the south end, there are two projects pending. My understanding was that they were going to be proceeded with during this construction year,

but I gather there has been some delay. Perhaps you could elaborate on what the difficulties are that caused the projects to be carried over into the new year. One was the bridge rehabilitation at the south end of Highway 404 at the Don Valley Parkway connection to Highway 401, and the other is the extremely dangerous basket-weave situation that exists just north of Sheppard by Fairview Mall.

I know that has been given high priority by your ministry. I am not questioning or being critical and suggesting the prioritization is not there, because I know it is. I hoped it would have got under way this summer or fall, but I understand there have been delays brought about. This is just what I get at second hand. That is why I ask for confirmation on the real status of that situation, whether it is related to some of the various land owners and the exchange of land needed to permit the redesign of the interchange there to proceed. Perhaps you could elaborate.

**Hon. Mr. Snow:** No, that particular project was strictly money. It was scheduled to be a 1983-84 project. I cannot give you the exact date at this moment. It was one of the 26 or so projects we had in our green book, which you have in front of you, as jobs for 1983-84. It was one of the jobs that had to be deferred because of budget cuts.

**Mr. Williams:** Where does that rank in the 1984-85 program? Will it remain a priority?

**Hon. Mr. Snow:** We have not established our 1984-85 program yet. We will be doing that within the next couple of weeks, I hope. It was on the 1983-84 program and it had to be slid off that, so presumably it will be on the 1984-85 program.

**Mr. Williams:** So it remains on the list.

**Hon. Mr. Snow:** I cannot tell you that definitely but I would think there is a 95 per cent chance that it will.

**Mr. Williams:** If it remains prioritized, as it has been, would your ministry people be in a position to go to tender on it? Has all the legal and design work been done on that interchange so it can proceed forthwith in the early part of the new year?

**Hon. Mr. Snow:** If it was scheduled to go in 1983 then all that clearance must be completed.

**Mr. Williams:** That is what I wanted confirmation on.

**Hon. Mr. Snow:** It was in our schedule for 1983.

**Mr. Williams:** Everything is in place except the money then.

**Hon. Mr. Snow:** It was on our program to be called, except when we got the severe in-year reductions we had to take jobs out of the program. There is another intersection on Highway 404, Steeles Avenue and Woodbine—

**Mr. Williams:** I am not talking about that.

**Hon. Mr. Snow:** No, I know you are not, but that is going to tender in February.

**Mr. Williams:** What is being done up there?

**Hon. Mr. Snow:** Some modifications to the ramps and what not, to improve the operation of that very busy intersection. It is not a big job, a couple hundred thousand dollars. Then there is this operational improvement at Fairview Mall Drive and so on.

**Mr. Williams:** That is the buttonhook I speak of.

**Hon. Mr. Snow:** That will be scheduled for the summer of 1984.

**Mr. Williams:** From a logistical point of view, would the bridge rehabilitation at the parkway and Highway 401 be done in conjunction with that or would that create too much of a bottleneck situation? Would they have to be done separate and apart, or can they be dovetailed together as two separate projects that could be undertaken concurrently?

**Hon. Mr. Snow:** We do that both ways. A lot of the bridge rehabilitation jobs we do as spot improvements, separate contracts. Sometimes if there is a resurfacing to be done on the highway at the same time the bridge rehabilitation is added into it. We have a number of bridge rehabilitations that are going to be called in January and February.

**Mr. Williams:** It would just be the normal modus operandi of your people if the bridge rehabilitation is in such proximity to the other project that it would be done at the same time.

**Hon. Mr. Snow:** If it is that way, that is the way we do it. We do them both ways. We have done a lot of them out on the Queen Elizabeth Way, Highway 427 and Highway 401, where they have just been individual bridge jobs with no resurfacing required that year or within a couple of years. If the bridge deck needed the rehabilitation, we would do that and then carry on with the resurfacing whenever the normal time came.

**Mr. Williams:** Has your staff indicated to you what approach they would take on these two

projects, just so that I would be aware of the approach?

**Hon. Mr. Snow:** I do not have that immediately available but I can certainly get it for you.

**Mr. Williams:** It would be helpful to me if you could, if not this evening then later on, so I would know, in advising my constituents, whether the two projects would be undertaken concurrently rather than at two separate times; if they are going to be done separately, whether that would be in the best interests as far as facilitating the movement of traffic through that construction area, or whether it is better to do the two at once.

Interjections.

**Hon. Mr. Snow:** We have one contract for 1984 where it looks like four bridge deck rehabilitations at that Don Valley Parkway-401 interchange are being done as one contract separate from the resurfacing. There is no resurfacing included in that contract.

**Mr. Gilbert:** Separate from the Fairview Mall ramp.

8:50 p.m.

**Mr. Williams:** I realize the bridge rehabilitation is separate. It was just that in earlier discussions with staff—

**Hon. Mr. Snow:** Bridges 11, 5, 2 and another one that does not seem to have a number, the northwest ramp to the northeast ramp; there are four bridge rehabilitation jobs at that interchange that are being called as one contract.

**Mr. Williams:** Four bridges.

**Hon. Mr. Snow:** But that is separate from the—

**Mr. Williams:** The buttonhook situation at Fairview Mall.

**Hon. Mr. Snow:** —operational improvements you are talking about, which are up at Fairview Mall.

**Mr. Williams:** The only thing I am trying to ascertain is whether it would be likely those two separate projects would be undertaken at approximately the same time.

**Hon. Mr. Snow:** We do not have our next year's program yet.

**Mr. Williams:** Once they go ahead with the Fairview project, if you do give it your best and it gets an early start in the spring, you get that project going and done by mid-summer, and then they come along in the fall and start the bridge rehabilitation, what I am anticipating and the reason I am pursuing this is someone

will come to me and say, "Why did you not do them all at once rather than inconvenience us with one and then with the other?"

**Hon. Mr. Snow:** It is more likely it will be the other way around.

**Mr. Williams:** It might have to be but I want to be able to explain that to my constituents.

**Hon. Mr. Snow:** With what we are attempting to do with those bridge rehabilitation jobs, they have to be done in good weather. They need better weather than normal paving or something like that, so we tend to call the tenders for the bridge rehabilitation jobs early in the year. Sometimes we are calling them now at this time of year.

That gives the contractor the opportunity to get all his special materials, expansion joints and what not together so that when he starts the job in the spring he has no delay and gets it done as quickly as possible. We have done that for the last couple of years and it has worked well. We have not had nearly the tie-ups and delays with those bridge rehabilitations that we had four or five years ago.

**Mr. Williams:** On that basis, it sounds like the two might be spring projects. In any event, I would appreciate your keeping me posted.

**Hon. Mr. Snow:** They could be. As I say, we have not defined next year's projects yet as to dates because we do not know what money we are going to have next year.

**Mr. Williams:** Mr. Gilbert, you wanted to add something.

**Mr. Gilbert:** I was just going to say that a few years ago, as the minister mentioned, we went to an actual completion date contract on a number of those bridge deck resurfacings. Certainly that has helped a good deal. We also do a lot of work to make sure the schedule is such there is not the same interference. That is why we spend quite a bit of time balancing one with the other.

**Mr. Williams:** Okay. You will keep me posted on what is being done at the design and tendering. You will have to go to tender on those projects, of course, and you will be calling them if you proceed. You will let me know what phasing is being planned.

**Hon. Mr. Snow:** We will be able to tell you better as to timing in two or three weeks, plus perhaps in two or three months when we find out what the—

**Mr. Williams:** I would appreciate your continuing support, as you have given on other road projects within the confines of the riding.

**Hon. Mr. Snow:** There is another noise barrier project up in that area that is coming along too. No, Midland and Warden is over further, I am sorry; that is not in your area. I think your noise barriers are all under construction.

**Mr. Williams:** Yes, they are. One is for next spring.

**Hon. Mr. Snow:** There is one to be built on Highway 401 and there is—

**Mr. Williams:** There are the two at the northwest corner and the north side of the 401, and the northwest corner of 401 and 404. Then there will be the one on the east side of 404 north of Sheppard running up to Finch. That will finish off the committed projects in that area. The one on the east side of 404 is for the spring of 1985, as I recall. The others are scheduled for 1984.

**Hon. Mr. Snow:** I do not have the schedule for that far ahead defined yet.

**Mr. Chairman:** I hope some of the members who have been carrying on conversations while Mr. Williams was asking his questions will not want clarification on Mr. Williams's questions.

Interjections.

**Mr. Chairman:** I will allow you any supplementaries.

Interjections.

**Hon. Mr. Snow:** Maybe we should put that on the record again; there was so much interference on both wings.

**Mr. Cunningham:** I have a supplementary on that.

**Hon. Mr. Snow:** We have the left wing and the right wing.

**Mr. Cunningham:** I want to know right now, will there be no tolls on this hallway?

**Mr. Chairman:** Do you mean the corridor? That is under active consideration, I believe.

The next one I have is Mr. Wildman, who will ask about all the problems in the Algoma area.

**Mr. Wildman:** Mr. Chairman, actually I was going to raise some but I have some wider concerns regarding the staffing for maintenance. I understand the numbers have dwindled, I guess mainly through attrition, from 13,000 to 9,000.

**Hon. Mr. Snow:** That is over 12 years.

**Mr. Gilbert:** And not just in maintenance.

**Mr. Wildman:** Total staff?

**Mr. Gilbert:** Total staff within the ministry.

**Mr. Wildman:** Total staff is down 12 per cent since 1975. Is that right?

**Hon. Mr. Snow:** About that. When I became minister in 1975 we had about 12,000 staff and we are down to 9,000 now, so it is 25 per cent since 1975.

**Mr. Wildman:** My main concern in this matter is about maintenance. Can you tell me what your totals are for both permanent staff and part-time or casual staff hired in winter? How do you stand in regard to your maintenance staff?

**Mr. Gilbert:** The total in maintenance is 3,900. But certainly we constantly review what our maintenance requirements are to provide service in a particular area. We have, over the years, implemented measures to continue providing a good service. But the staff has been changing over time. I refer to such things as going to the private sector for some of our snowplough operations. It does not mean we are cutting back on the service at all but we hire small private owner-operator contractors who in most cases operate the plough.

We started into this very slowly a few years ago. We are doing it across the province right now. Naturally we have to maintain a number of our own pieces of equipment, but the system has worked extremely well. As the member for Algoma knows, in parts of the country such as his a number of owner-operators have worked for us over the years. In the summer, they haul gravel for us and things like that. In going this route we have been able to use them in the winter as well.

By supplementing our maintenance staff with these kinds of small contractors we are continuing to give the service. Certainly it is at a reduced cost than if we manned all the ploughs ourselves, particularly if it means having to move people into certain areas to do it, or keep them in camps or something.

**Mr. Wildman:** Okay, I can understand that. Are you saving in terms of overtime and that kind of thing too? Is that what you are looking at?

**Mr. Gilbert:** Yes, overtime is one thing.

**Hon. Mr. Snow:** We used to man those patrols three shifts a day in the winter for snowploughing and what not, three eight-hour shifts. Now we man them only two eight-hour shifts. For probably 90 per cent of the time, two eight-hour shifts are all that is necessary. They are out 24 hours a day when there is a storm and we need

the ploughs out full time, but then the two shifts work 12 hours rather than eight per day.

**Mr. Wildman:** I am not questioning the ability of your staff or anything like that. However, I think the member for Lake Nipigon (Mr. Stokes) and I raised this during the last session of estimates.

**9 p.m.**

I am concerned, even with the mild winter we had last year, about what appears to be a deterioration in the service, especially with regard to secondary highways in the north in the winter, and even on Highway 17. In the last few years, we have had far more situations of the Ontario Provincial Police closing roads because of unsafe driving conditions as a result of the fact that the ploughs were not operating, and there just was nothing happening in terms of cleaning a path along a highway.

I have had constituents who have faced roadblocks and could not get to work. They were informed over the media that if they ran or went around the roadblocks, they would potentially face a \$24 fine. They could not get to work.

**Mr. Gilbert:** That is a different issue altogether. As far as the OPP is concerned, the legislation was changed about three or four years ago. It allows the OPP to close roads when it feels that conditions are unsafe for motorists to drive on them. Our operators have nothing to do with making that decision.

**Mr. Wildman:** I realize that.

**Mr. Gilbert:** The OPP itself is making those decisions.

**Mr. Wildman:** With respect, those decisions, as far as I am aware—

**Hon. Mr. Snow:** You think we are supposed to go out there and stop the snow from falling or the wind from blowing?

**Mr. Wildman:** I believe you have a great deal of power but that, even with your name, I do not believe you can do.

**Hon. Mr. Snow:** No matter if you had 100 ploughs out on the road, if you get into a certain kind of a storm you are going to have to close the roads.

**Mr. Wildman:** Before I started to get snowed on this, Mr. Chairman—

**Mr. Williams:** Only Snow can do it.

**Mr. Wildman:** —I was going to say that in most cases in our area, the roads have been closed after the ploughs have been taken off the

road by the Ministry of Transportation and Communications. That is when the OPP—

**Mr. Gilbert:** We do not close roads.

**Mr. Wildman:** I know MTC does not close the road. The district engineer says, "I am going to take the ploughs off the road." Then, when the ploughs are off the road, the OPP says: "It is not safe. We are going to close the road." The OPP makes the decision, but it does not make the decision to take the ploughs off the road.

**Hon. Mr. Snow:** You have to remember that it may not have been safe for those ploughs to be operating on the road in the middle of a heavy snowstorm or a blizzard. Rightfully, our district engineer would take the ploughs off and, rightfully, the OPP might then very well close the road.

**Mr. Wildman:** Shall we put this into the context of the lowering of maintenance staff?

**Mr. Gilbert:** How is that a lowering of standards?

**Hon. Mr. Snow:** Why do you not learn what you are talking about?

**Mr. Wildman:** It seems to me that you are lengthening your patrols.

**Hon. Mr. Snow:** Pardon?

**Mr. Wildman:** Is it correct or not that you are lengthening your patrols?

**Hon. Mr. Snow:** Yes.

**Mr. Wildman:** Okay, there it is.

**Mr. Gilbert:** How does that lead necessarily to lowering the strength?

**Hon. Mr. Snow:** That does not necessarily apply at all.

**Mr. Laughren:** We raised that last year on Highway 69.

**Hon. Mr. Snow:** If we put more equipment, bigger equipment, better equipment on, it does not necessarily change the—

**Mr. Laughren:** Nonsense.

**Mr. Wildman:** You have less staff. The smaller amount of staff is having to cover a wider area and you are telling me it does not affect the service.

**Hon. Mr. Snow:** It does not.

**Mr. Gilbert:** It does not necessarily follow.

**Hon. Mr. Snow:** The equipment they are using today is 1983 equipment, not 1960 equipment.

**Mr. Laughren:** Nonsense.

**Mr. Chairman:** We are getting into a debate here.

**Mr. Wildman:** Yes, we are. Finally, in these estimates we are getting into a debate.

**Mr. Chairman:** You asked a question and you got an answer. If you do not agree with the answer, I am sorry. We cannot do anything about that.

**Mr. Wildman:** In this year's estimates, how much have you estimated for maintenance? We might even deal with numbers and figures here in the estimates, Mr. Chairman.

**Mr. Chairman:** Why break with tradition?

**Mr. Gilbert:** The amount is \$197,132,300. It is right in the estimates.

**Mr. Wildman:** How does that figure compare with the figure over the last two years?

**Hon. Mr. Snow:** It was \$197 million in 1983-84 and \$177 million in 1982-83. It is up by \$20 million.

**Mr. Wildman:** In real dollars, you have lowered your expenditure.

**Hon. Mr. Snow:** That is not right. We are up \$20 million on \$177 million. That is about a 12 per cent increase. I do not think, even in real dollars, that is a lowering. Unless you are figuring inflation—

**Mr. Wildman:** Inflation right now is running at five per cent, but I do not think it was last year.

**Mr. Ruston:** In 1983 it was 12 per cent.

**Hon. Mr. Snow:** In any case it went up from \$177 million in the 1982-83 estimates to \$197 million, so it is about a \$20-million increase which, by my quick calculation, is about 12 per cent.

**Mr. Stokes:** It is 9.75 per cent.

**Hon. Mr. Snow:** How do you figure that out?

**Mr. Stokes:** In round figures.

**Hon. Mr. Snow:** Ten per cent would be a \$17-million increase and it is \$20 million, so it is roughly 12 per cent.

**Mr. Wildman:** I would like to raise another question with regard to maintenance and how it relates in this case to the capital construction program. Recently, in my riding, on Highway 556, the Ranger Lake road, a logging truck luckily, fortunately, just got across a bridge which collapsed as it crossed it.

I understand the Ministry of Transportation and Communications is working now to fix the bridge and get the road open and usable again. How often, generally, are your bridges inspected? How often was this particular bridge inspected? How could we reach a situation where it was

in such a deteriorated condition it would collapse under the weight of a logging truck?

**Mr. Gilbert:** Mr. Wildman, you know the Ranger Lake road was only assumed by the ministry about eight years ago.

**Mr. Wildman:** Yes, I realize that.

**Mr. Gilbert:** When we took that over, to call it a road was really—

**Mr. Wildman:** Do not get me wrong. I want to make it clear, Mr. Gilbert, I am not criticizing the attempts to improve the Ranger Lake road, even taking into account that we have to close it during wet weather and that kind of thing. All I am asking is, generally, how often are your bridges inspected? How often has that bridge been inspected?

**Mr. Gilbert:** Bridge maintenance is given a very high priority within our maintenance priorities, so that bridge, along with other bridges, is continually inspected—spring, fall, winter and so on. However, with the types of loads one gets and the types of structures that are on a road such as the Ranger Lake road, it could be inspected today and have a failure tomorrow. As you know, on that particular road most of the structures are old.

**Mr. Wildman:** Could you get the information for me as to the last time that bridge was inspected?

**Mr. Gilbert:** Yes, we can.

**Mr. Wildman:** I understand that at Highway 554 in the Sault Ste. Marie MTC district—what is it called? There is a Bailey bridge at Bells Falls and Little White River. I have been told by MTC that bridge will be replaced by a two-lane structure next year. As I understand it, that bridge was damaged in 1979.

**Hon. Mr. Snow:** Where is Highway 554?

**Mr. Wildman:** North of Iron Bridge. It is the Mississagi River bridge on Highway 17.

**Mr. Gilbert:** There are two rivers there.

**Mr. Wildman:** The bridge on Highway 17 took four winters to complete. In that case, you did not notice that bridge was in trouble until a trucker there reported to MTC there was a hole and he could see the water as he went over it.

**Mr. Cunningham:** The problem is it was in imperial measure and now it is in metric. It would not happen if it was not metric.

9:10 p.m.

**Mr. Wildman:** I am very happy you are going to replace the Bells Falls bridge next year. I

hope that is early in your construction program for next year.

**Hon. Mr. Snow:** The Bells Falls bridge on Highway 554 is in the 1984 program, and this priority has been advanced due to the failure, naturally.

**Mr. Wildman:** Good. When it was damaged in 1979, was that bridge replaced by a Bailey bridge? My understanding is that your policy, except—

**Hon. Mr. Snow:** If you do not know what is happening in your riding, how do you expect me to?

**Mr. Samis:** What a cheap shot.

**Mr. Wildman:** If you want to be nasty, I will. My understanding was it was against your policy to replace Bailey bridges with Bailey bridges.

**Mr. Gilbert:** Well, if you have to get something across—

**Hon. Mr. Snow:** If you need a bridge in a hurry, a Bailey bridge will help out.

**Mr. Wildman:** I accept that, but that was in 1979.

**Hon. Mr. Snow:** We have a lot of Bailey bridges that have been around a lot longer than that.

**Mr. Wildman:** Do you have a concerted program to replace Bailey bridges?

**Hon. Mr. Snow:** Not necessarily, but in a lot of places a Bailey bridge is all that is needed.

**Mr. Chairman:** Is there another question here? Do you want the answer first, or are you going to ask the question first?

**Mr. Wildman:** Am I to understand the collapsing of a bridge under a truck is—

**Hon. Mr. Snow:** Was it a Bailey bridge that collapsed?

**Mr. Wildman:** No, it was not a Bailey bridge that collapsed. But the other one was an emergency. I accept putting up a Bailey bridge in an emergency, but the emergency was in 1979.

**Hon. Mr. Snow:** I can think of a lot of roads in northern Ontario, even in southern Ontario, that have Bailey bridges and have had them for many years. On the highway—I forget the number of it—going into Killarney, not too far from your area, there are Bailey bridges and have been since the highway was built 20 to 25 years ago. Bailey bridges were put in then, and now we are upgrading the road and replacing those Bailey bridges, but they have been there since the road was built.

I was in the riding of the member for Sudbury

East (Mr. Martel) looking at some projects last year and I came upon one of our Bailey bridges, just off Highway 17, where we were replacing the old deck on the bridge. The bridge was perfectly solid and no problem, but the wooden deck was deteriorating. So we were replacing the deck.

**Mr. Wildman:** I have a couple more questions regarding policy. As my colleague the member for Cornwall (Mr. Samis) mentioned, we support very much the efforts to put in passing lanes and truck-climbing lanes to assist in speeding up traffic, especially on hills and curves where trucks can hold up traffic. What is the policy—if there is one, and there must be—regarding the width of shoulders where you install truck-climbing lanes and passing lanes on a major highway like Highway 17?

**Hon. Mr. Snow:** Shoulders, passing lanes and truck-climbing lanes are three completely different things. Our policy—

**Mr. Wildman:** I am aware of that. When I drive on them, they all seem different. My question is this. When you put a truck-climbing lane on a hill, for instance, and you widen the road there, do you also widen the shoulder so that you maintain the same width of gravel shoulder beside the paved truck-climbing lane, or are we facing a situation where you are narrowing the gravel shoulders at the edge of the road on these hills?

**Hon. Mr. Snow:** We may use some of the shoulder for the climbing lane. Generally, however, as we are resurfacing those roads across the province, the policy is that when we have a two-lane road which has a 24-foot pavement width, where we have about 4,000 cars a day or more using that road, we are putting in a partially paved shoulder. That shoulder was two feet and is now half a metre of additional pavement on each side, which brings you from roughly a 24-foot paved surface to a 28-foot paved surface.

That is our general policy, which I implemented about six or seven years ago. It does not widen the shoulder at all; it is just about an extra two feet of pavement there for a partially paved shoulder. On Highway 17, we have done a lot of fully paved shoulders where we are not widening the shoulder but are paving it: an eight-foot paved shoulder.

**Mr. Wildman:** In this case I am not talking about about paved shoulders. I am talking—

**Hon. Mr. Snow:** Then the truck-climbing lane, of course, is where you have a long grade

and we build an extra lane specifically designed for truck climbing; and the passing lanes are to give passing opportunities.

**Mr. Wildman:** I understand all that. I am just asking a simple question. Where you put in a truck-climbing lane, are you also going to widen the shoulder, or are you using the shoulder to build the truck-climbing lane?

**Hon. Mr. Snow:** It all depends. If there is a 40-foot or a 50-foot-deep rock cut, we are probably not widening that rock cut; we will try to use the space we have available. So we may end up with a narrower shoulder than normal under that condition.

**Mr. Wildman:** The problem I have run into on a couple of occasions—and I can understand the cost that was involved—has been that where there has been a truck or car breakdown on the edge of a road, in many cases the vehicle cannot get off the paved portion of the road because the shoulder just is not wide enough.

**Hon. Mr. Snow:** In that case there would be a climbing lane or a paved shoulder, so they would still be able to get off far enough to give a free lane for passing. It may cost \$1 million to widen a rock cut and from an economic point of view it may not be feasible, because I know what some of the rock-cuts look like up in your territory.

**Mr. Wildman:** All right. With regard to the turning lanes that my colleague the member for Cornwall mentioned, I understand that in the vicinity of Blind River, on Highway 17 west of the town, Eldorado Nuclear paid for the construction of a turning lane.

**Hon. Mr. Snow:** That would be a normal condition. In the case of any applicant for a special industrial type of entrance, whether it is a shopping centre or a large industry, if the type of traffic they are going to have requires a turning lane or traffic signals, then they are required to pay for that.

**Mr. Wildman:** I am not arguing against that. My interest is this. A number of the municipalities in the area along Highway 17 have raised a concern about the fact that in this particular location there is a long curve; there is a very short straight stretch where the entrance to the Eldorado property is and then beside that is a hill with a hidden intersection at the Mississauga Indian reserve. This turning lane was constructed to an entrance that is just off a curve. Yet, in most of the other municipalities in the area—for instance, in Thompson township towards Iron Bridge—a number of people who have wanted

to open businesses have been unable to persuade the Ministry of Transportation and Communications to agree to an entrance on to the highway because of long curves; and there are many long curves in that area.

**Hon. Mr. Snow:** In fact, it is pretty hard to find a straight stretch.

**Mr. Wildman:** Yes. Eldorado found a very short, straight stretch.

**Hon. Mr. Snow:** They also built left-turn lanes, which made quite a difference. The average small businessman cannot afford the cost of a left-turn lane.

**Mr. Wildman:** In one situation, a guy was even prepared to pay for the cost of a turning lane and he could not get it. Thompson township and a number of the other municipalities in the area are very concerned about what they perceive as their inability ever to get any kind of commercial development in their area because of the controlled access on Highway 17.

**Mr. Gilbert:** You are touching on the controlled access.

9:20 p.m.

**Hon. Mr. Snow:** You are touching on a different situation. A controlled-access highway is a controlled-access highway. We do not want to turn Highway 17 into a local gasoline alley or local street. Otherwise, five years from now you will be screaming and wanting a new highway built parallel to it to take the traffic off it.

**Mr. Wildman:** I agree with that, do not get me wrong. I agree with that position. My concern though, is when someone does approach the Ministry of Transportation and Communications and says, "Look, we would like to get an entrance." In one particular case, for instance, a guy wanted to start a tree nursery and he was told that was not a farm access—which he thought it would be—but that it was a commercial access. He said, "Why can I not get commercial access?" They pointed to the curb and said, "Because of the curb."

What it means for Thompson township is basically, no kind of development, I am not talking about strip-type development along the highway. This is a legitimate type of commercial access that would benefit the community.

**Hon. Mr. Snow:** Commercial accesses are still strip if you put them side by side.

**Mr. Wildman:** We are talking about a farming operation here, whether MTC likes to call that or not.

**Mr. Gilbert:** As you know, Mr. Wildman, entrances have been a real problem on Highway 17, both north of the Sault and, as you say, from Blind River and areas where we have been trying to maintain some control of access. You also know we have worked with the Ministry of Municipal Affairs and Housing to try to come up with some criteria. The regional director in that area has spent a lot of time with the municipalities, as well as with the municipal affairs ministry to meet both concerns.

**Mr. Wildman:** I have a great deal of respect for Mr. Neilipovitz. I think he does a very good job.

**Mr. Gilbert:** He will continue to do that. Sometimes it is just impossible to put commercial entrances in some of these areas.

**Hon. Mr. Snow:** Mr. Wildman, are you against Eldorado Nuclear being located there and having an entrance?

**Mr. Wildman:** No, I am leading to something else. The Mississauga reserve, adjacent to that turning lane, also wants a turning lane and cannot get it. MTC will not agree to it, as far as I understand.

**Hon. Mr. Snow:** Are they prepared to pay for it?

**Mr. Wildman:** I think they are prepared to discuss that with the federal government. The federal government paid for it for Eldorado Nuclear.

**Hon. Mr. Snow:** I have not heard anything from them about it.

**Mr. Gilbert:** Certainly, whether it is the Indian reserve or whoever it is, we attempt to work with them to see what—

**Hon. Mr. Snow:** But the Indian reserve has traffic. That is an established road.

**Mr. Wildman:** Yes, it is.

**Hon. Mr. Snow:** That is not a private entrance. You are talking about apples and oranges here.

**Mr. Wildman:** No, it is not a private entrance.

**Hon. Mr. Snow:** That is not a private entrance. It is an established road access. Road access from a public road to Highway 17 is altogether a different thing from a private access.

**Mr. Wildman:** It is not a private access.

**Hon. Mr. Snow:** If their road and the traffic pattern into that road qualifies for turning lanes, then the appropriate time comes to do work on the highway there, we would put turning lanes in or them, if their traffic pattern warrants it. If it does not, we would not. That would probably be

done at no cost to them, the same as it would for any other public road that accesses on it.

**Mr. Wildman:** I see. A couple of other things. I have been asked to—

Interjection.

**Mr. Cunningham:** I move the committee rise and return.

**Mr. Stokes:** Mr. Chairman, this fellow wants to talk about the Detour Lake road.

**Mr. Piché:** Yes, I do, I do, I do.

**Hon. Mr. Snow:** A very fine road.

**Mr. Piché:** Hansard, make sure it shows I said, "I do, I do, I do."

**Mr. Wildman:** I will not take much longer, Mr. Chairman. I was asked—

**Mr. Chairman:** Mr. Lane had a supplementary on that.

**Mr. Lane:** Thank you, Mr. Chairman and Mr. Minister. I appreciate the opportunity to ask a supplementary here.

**Mr. Piché:** As long as it is not too long. I am next on the list.

**Mr. Lane:** I think we are being a little overprotective of Highway 17. We have some people who want to do a small development on Highway 17, about which I recently communicated with the minister, and the contract indicates he would have to sign a contract for \$10,000 plus \$85,000, \$95,000, which prohibits this guy from doing what he wants to do.

There is already an entrance there. It is just a matter of making it a little safer because of the increased traffic. I get a little turned off when I look at all of the entrances from Sudbury to Sault Ste. Marie. Not a God damn one of them has what we are asking him to do. I would not sign that contract.

**Hon. Mr. Snow:** I looked over that contract, Mr. Lane. That is not a private entrance, that is a subdivision entrance.

**Mr. Lane:** But the subdivision is not there yet and we are forgetting—

**Hon. Mr. Snow:** All we are asking him to do is put the entrance in when the subdivision is there. Every subdivider in Ontario who wants an entrance on to one of our highways, regardless of what highway it is, has to enter into that kind of agreement.

**Mr. Lane:** Not at \$95,000.

**Hon. Mr. Snow:** Oh, lots of them at \$250,000, \$500,000.

**Mr. Lane:** But this is not a million-dollar

development. This is a \$500,000 development and we are asking him for \$95,000 for the right to enter on his property. There is something wrong with that system.

**Hon. Mr. Snow:** I do not believe there is.

**Mr. Lane:** Unfortunately, there is. We are destroying job opportunities. We are destroying—

**Hon. Mr. Snow:** I will argue the standards with you. I am prepared to review the standards we are asking for but there is nothing wrong with the agreement.

**Mr. Lane:** I would not sign it if I were him.

**Hon. Mr. Snow:** Whether one is developing an industry, or as I said a few moments ago, a shopping centre or a new subdivision, I sign agreements with subdividers and developers almost on a daily basis in the ministry where they are asking for this type of entrance and are required to pay for them.

**Mr. Lane:** You are talking about a multi-million dollar development in southern Ontario. We are talking about a few hundred thousand dollars in northern Ontario. This guy cannot go ahead. This thing is going to be dead if he has to pay \$95,000 to get an entrance.

**Hon. Mr. Snow:** Do you think the taxpayers should pay the \$95,000?

**Mr. Lane:** He can get it done for \$30,000.

**Mr. Gilbert:** You say he can have it done for \$30,000?

**Mr. Lane:** One of our people we are very familiar with who does a lot of contracts for the ministry and this government would do the damn thing for \$30,000 and we are asking \$95,000 in the contract.

**Hon. Mr. Snow:** We would do it at cost, whatever it costs us plus the administration costs.

**Mr. Lane:** Thank you very much. That is all I wanted you to say.

**Hon. Mr. Snow:** I said cost plus the administration cost and design cost, which is all part of the cost. We are not asking to make a profit. Unfortunately, we are not a profit—

**Mr. Piché:** The ministry is not into—

**Hon. Mr. Snow:** Unfortunately, we are not.

**Interjection:** Neither are you, René.

**Mr. Chairman:** He is on the record now.

**Mr. Piché:** You want to bet on that.

**Hon. Mr. Snow:** Do you want to know when

the next bridge is going to be built in Cochrane North? In 1999.

**Mr. Nixon:** Back to the YMCA.

**Mr. Wildman:** The town council and chamber of commerce of the town of Bruce Mines—

**Hon. Mr. Snow:** We are back to you again; okay.

**Mr. Wildman:** Specifically, what are the plans now and what is the time frame for construction of a bypass around the town of Bruce Mines on Highway 17, 40 miles east of Sault Ste. Marie?

**Hon. Mr. Snow:** I know exactly where it is. We have completed studies of bypasses on all the communities along Highway 17. Basically the purpose of that is, of course, to see where bypasses will ultimately be required and to protect the property for them. There is none I know of that is scheduled for construction yet, so that means they are not on the five-year program. They are somewhere beyond five years.

**Mr. Wildman:** In that regard, could you report on the status of the negotiations with the Garden River band?

**Hon. Mr. Snow:** Oh, I could write a book on that.

**Mr. Wildman:** So could I, but I understand that recently there was a meeting between the band council and the Ministry of Transportation and Communications to restart the negotiations on an agreement for the four-lane highway through the Garden River Indian reserve. Could you indicate the status of those negotiations at this point and what time frame you anticipate for reaching an agreement with that band?

The other question I have is, are you leaving your negotiations with the Batchewana band at Rankin until such time as you have reached an agreement with the Garden River band?

9:30 p.m.

**Hon. Mr. Snow:** Eight years, one month and one day ago I became minister. One of the very first meetings I had as Minister of Transportation and Communications was with—

**Mr. Wildman:** Chief Boissoneau.

**Hon. Mr. Snow:** —Chief Ronald Boissoneau and some of his band council who came down to see me about this problem. We have been negotiating ever since; for eight years we have been negotiating. I have been involved personally in a number of the negotiations, as has Mr. Gilbert.

I remember arriving in Sault Ste. Marie in the middle of February in a snowstorm and going

out to the band council. We were late getting there. It was about 10 o'clock at night when we arrived and one o'clock in the morning when we left. I think you were there.

**Mr. Gilbert:** Yes, I was.

**Hon. Mr. Snow:** We have made considerable progress. The band wanted time to develop a master plan for the reserve. They wanted to lay out their residential and industrial areas. They wanted the alignment of the highway to be designed to best suit their purposes. We have gone a long way in working with the band.

I thought we were very close to a right solution about a year ago. Many issues came into this, issues of the Canadian Pacific Railway gravel pit and quite a number of different things. But there was an election. Some of the management, the chief changed—we have a new chief there now—

**Mr. Wildman:** Arnold Solomon.

**Hon. Mr. Snow:** —whom I have not met yet. Bill Neilipovitz, a senior member of my staff, the regional director of northwestern Ontario, has basically been in charge of those negotiations. When it becomes necessary for myself and Mr. Gilbert to meet with the band we are available to do so. But as with anything else, with a change there, the new chief, rightfully so, wanted to review the whole matter.

A number of meetings were required, as I understand it, to bring him up-to-date on all the previous deliberations that had taken place. I have not had an update from Mr. Neilipovitz for the last two or three months but when I was up there this fall I asked him how things were going. He had another meeting booked and they are carrying on with trying to settle the problem.

**Mr. Gilbert:** I know he had another meeting. I have not heard but, as you say, I am sure if there was any real progress he would be back to us right away. He knows the high priority we put on completing those negotiations.

**Hon. Mr. Snow:** We put a high priority on completing those negotiations and completing that section of highway, but because of the long negotiations we have not scheduled any money for any particular year. There is really no use in doing it until we get the right-of-way settled. Once the right-of-way is settled, then we have a couple of years of design and so on to take place and then start construction. As soon as the negotiations are finalized for the right-of-way, we will plan the design and construction immediately.

**Mr. Wildman:** That is basically what I am interested in. My understanding, and correct me if I am wrong, is that we had basic agreement on the route.

**Hon. Mr. Snow:** Yes, we have.

**Mr. Wildman:** Some details on that have to be straightened out, but I believe there was basic agreement on the route. What now had to be dealt with was really what kind of compensation would be fair and acceptable to the band. I understand those negotiations have been prolonged. Fine. If that is the case—

**Hon. Mr. Snow:** I do not think we have ever got down to talking dollars. We have always been trying to clean up the other issues, such as how many crossings of the highway they were going to have, and they have a piece of hunting ground up by the river and they wanted a special underpass to get into that, and who is going to build the service roads and how many service roads there are going to be.

**Mr. Wildman:** I understand that, but my question is, if you have a basic agreement on the route, what prevents you from approaching simultaneously the Batchewana band to start discussing a route across the Rankin location?

**Hon. Mr. Snow:** First of all, we have to finalize. We have had some basic agreements but we have never really finalized. We have never had a band resolution saying, "We approve this." When we get a band resolution, a finalization of the route, saying that is where it is going to be, then we can deal with the Rankin reserve.

**Mr. Gilbert:** To add to that, Mr. Wildman, that was one of the first things the new chief talked about, some possible shifts in that alignment. As the minister said, he wanted to review that alignment to see if there was still genuine agreement that this is what should be done. Until that is done, until we get something definite, it would certainly hardly be worthwhile to go ahead with this.

**Mr. Wildman:** Fine, thank you. I have a couple of questions I would like to ask about specific secondary highways.

Can you tell me your schedule for taking over and accepting the Dubreuilville road into the provincial highways system?

**Hon. Mr. Snow:** I think that is pretty well finalized now. In fact, we are designing and getting ready to call tenders.

**Mr. Wildman:** For next year?

**Hon. Mr. Snow:** I do not know when we are going to take it over. The problem of the

Dubreuilville road is another one I have been dealing with for umpteen years. It is my understanding that it is coming to a conclusion.

**Mr. Wildman:** Fine. When do you anticipate completing all the way—I realize you had a contract on it this year—Highway 631 from Hornepayne to Highway 11?

**Mr. Piché:** That is a very good question.

**Mr. Wildman:** My colleague from Cochrane North understands the importance of that because it is a major route for lumbering between Hearst and Highway 17.

**Mr. Piché:** I have had more discussions on this highway than any other highway.

**Hon. Mr. Snow:** That is funny, the last time I was in Hornepayne they never mentioned it.

**Mr. Eakins:** It will be going on for years.

**Mr. Piché:** No, it cannot go on for years.

**Mr. Eakins:** It will take a change of government to fix that up.

**Mr. Piché:** That will never happen, so let us deal with this government. There will never be a change of government.

**Hon. Mr. Snow:** We had a contract on it this year. The first grading contract was under way this summer of 1983, and that is from Hornepayne northerly almost 27 kilometres. The second project is scheduled for 1984, extending for 43 kilometres. A third project is for paving—no, I am sorry.

The first contract is from Hornepayne 26.9 kilometres and the second one is 43 kilometres north of that. You have 27 kilometres and 43, so that is 70. The third contract is in the middle. Then there will be a paving contract following, to pave over all three grading contracts. It looks like we had a contract in 1983, we will have one in 1984 and presumably one in 1985, and we will probably pave it in 1986.

**Mr. Piché:** That is good.

**Mr. Wildman:** It is better than it has been. It has been 10 years since—

**Hon. Mr. Snow:** I have not been minister for 10 years, only eight.

**Mr. Piché:** Is there any possibility we can do something better than that, because of its priority?

**Hon. Mr. Snow:** You will have to discuss that next week with your colleague the Minister of Northern Affairs (Mr. Bernier) because he sets the priorities. All I do is the work.

9:40 p.m.

**Mr. Piché:** That is not what you told me before.

**Mr. Wildman:** Okay, I will yield the floor.

**Mr. Piché:** You are going to let it go that easily?

**Mr. Chairman:** We do have five more speakers and we did agree that this vote would be completed tonight. Without putting any undue pressure on any of the next questioners, I just draw that to their attention. We would like to move along as quickly as possible. The next speaker was to have been Mr. Cunningham, but he deferred to Mr. Nixon at this time.

**Hon. Mr. Snow:** There are no problems in Brant. I was talking to the warden of Brant county today and everything was—

**Mr. Nixon:** I wanted to ask you about that because the warden of Brant county wants a change in the statute and regulation that establishes the county roads committee. Did you agree with that?

**Hon. Mr. Snow:** He discussed that with me this morning, yes.

**Mr. Nixon:** Did you agree with that?

**Hon. Mr. Snow:** I think where we are having the basic problem is in getting the counties in general to agree with the change that one or two of the counties want.

**Mr. Nixon:** I do not want to spend a lot of time on it, but Brant is a fairly small county.

**Hon. Mr. Snow:** Brant has 10 county councillors, and they want to have all members of county council on the roads committee.

**Mr. Nixon:** Right. He could not understand why you were so belligerently opposing that.

**Hon. Mr. Snow:** On the other hand, I can think of other counties—I think Huron would be one—that have 45 or 46 county councillors. They would hardly need 46 people on the roads committee.

**Mr. Nixon:** I do not think Brant was requesting that all counties had to have all members of the roads committee, but I am very glad that you are more amenable to his suggestion because certainly he is very keen about it, as you know.

I did want to say that we have now completed the sixth bridge across the Grand River in the last decade in the constituency of Brant-Oxford-Norfolk. The most recent one was built on the Six Nations Indian reservation.

**Hon. Mr. Snow:** Yes. I am very sorry that was not able to be at the opening of that bridge, but it was well represented by the member

Wentworth (Mr. Dean), who was there on my behalf. I have a picture, a painting of the new bridge.

**Mr. Nixon:** That is right. I understand the provincial Treasury paid about 80 to 85 per cent of the cost.

**Hon. Mr. Snow:** I am sure they did, yes.

**Mr. Nixon:** This means that the Six Nations community, which is the largest Indian reserve in Canada by population, has access across the river to Highway 54, which is not one of your prize highways, if you have ever driven on it.

**Hon. Mr. Snow:** I saw Highway 54 today too.

**Mr. Wildman:** From the air?

**Hon. Mr. Snow:** I crossed it four times.

**Mr. Nixon:** We find that traffic is building up and is going to build up rather quickly there. As long as the traffic wants to go north and west up to Brantford or south to Caledonia—both desirable destinations, the member for Haldimand-Norfolk (Mr. G. I. Miller) will agree—the traffic is well looked after. But many of the people crossing the bridge are really heading for Hamilton and they start out on the township roads, which do not lead very directly towards Hamilton.

**Hon. Mr. Snow:** I found that out this morning too.

**Mr. Nixon:** Were you there meeting with the council?

**Hon. Mr. Snow:** I was in the riding of your honourable colleague here this morning and I took a bit of a tour of that area this morning.

**Mr. Nixon:** Are you going to fix up those roads in the township? I do not want to waste your time if you know all about it.

**Mr. Riddell:** You were in Goderich, too, but you did not stay too long.

**Hon. Mr. Snow:** I stayed long enough to do the duty.

**Mr. Riddell:** No, not really.

**Hon. Mr. Snow:** I watched the air show.

**Mr. Riddell:** You were three quarters of an hour late getting there and you left—

**Hon. Mr. Snow:** I was fogged in. I could not help that. You were not there at all. At least I got there; you did not.

**Mr. Riddell:** You are right. I had to do work here in the Legislature. When you are gone, somebody has to be here to do the work.

**Hon. Mr. Snow:** I was back for question period.

**Mr. Chairman:** You are quick. I will put you down on the bottom of the list here.

**Hon. Mr. Snow:** I was back at two o'clock that day for question period.

**Mr. Chairman:** Can you respond to Mr. Nixon's concern?

**Hon. Mr. Snow:** With regard to the township roads I am a little confused as to whether those were roads with Indian reservations on them.

**Mr. Nixon:** No. The bridge comes out of the Indian reservation into the township of Onondaga. The township, which is a small rural township, feels it cannot carry the costs of improving its roads for proper access for the new traffic dumped on to its roads to get into the Hamilton area. Do you still have development roads?

**Hon. Mr. Snow:** No.

**Mr. Nixon:** We used to have those back in the good old 1960s when you were trying to win Brant the last time. If you want to take another shot at it, designate a few development roads through there, which are supported 100 per cent by the provincial Treasury, and get a proper access through the township of Onondaga over into the Hamilton area.

Interjection.

**Mr. Nixon:** May I just finish for a minute? We have a large investment in the new Chiefswood bridge, and it is a magnificent structure. If it is going to have any usefulness to the Indians or the Hamilton community, there has to be some way to get from one to the other without criss-crossing through the township roads, which simply cannot bear the traffic. Onondaga cannot pay the cost, and it simply should not be asked to. Even the maintenance costs will be much higher.

I am simply bringing to your attention something there are going to be letters about, and there already are. We really would like you to give this some serious consideration. If you do not have development roads, you must have some other procedure whereby—

**Mr. Cunningham:** A connecting link.

**Mr. Nixon:** A connecting link, yes; a connecting road.

**Mr. Cunningham:** In a Tory riding it would be a connecting link.

**Mr. Nixon:** Anyway, we would certainly appreciate your consideration.

Just before I leave that topic, I would also like to indicate that Highway 54 should be, in the long run, slated for considerable upgrading. I would tell anybody who is interested in one of

the most beautiful places in Canada running along the river through the Indian lands, that is the place to go. At the north end at Brantford is the old Six Nations community with one of the largest and best-funded Indian research centres in North America, the Woodland Indian-Cultural Educational Centre. At the other end there is a very fine provincial conservation park just at Caledonia.

The suggestion has been made by myself, and a very good suggestion it is too, that Highway 54 be designated the Six Nations Parkway. This is the 200th anniversary of the coming of the Six Nations, just after the American revolution. If they had not come to this area, the War of 1812 would have ended differently and we all would have been living under the congressional system. The Indians saved our bacon then and they are qualified probably to do it again if we ever need them.

A significant recognition there would upgrade that road. It would make it into a significant tourist attraction area and give us a lift in a community that in the last five or six years has suffered economically more than any other. I would just like to make that proposal to you.

I know your predecessors have been unwilling either to remove a numerical designation or to give a joint designation like Highway 401/Macdonald-Cartier or the Jim Snow county road or whatever. I know you are reluctant to do that, but in this instance I would ask you to give it some careful consideration. I believe it would be worth while and a project that would redound to the credit of us all, including the minister and his advisers. Do you want to make a comment on that?

**Hon. Mr. Snow:** You are going to let me reply, eh?

**Mr. Nixon:** All right, we are both paid.

**Hon. Mr. Snow:** First, I have no intimate knowledge of this township road problem leading to the approach of that new bridge we built. My first instinct would be that if there is a problem there, the township and the county should be considering it. Perhaps there should be a county road leading from that bridge, if it is a main artery, connecting from the bridge through to one of the highways.

**Mr. Nixon:** It would be Highway 2.

**Hon. Mr. Snow:** Highway 2. That would be the normal approach. I have not looked at the map. I would want to go into it in more detail. We do not have a development roads program any more. I think a transfer from the township

to the county and then some program worked out between the county and ourselves for the upgrading of one of the township roads to a county road standard might be the appropriate method of dealing with that. I would be pleased to meet with the county and discuss that with them if that is one of the possibilities.

There may be other ways. I would like to look at that. I would like to see pictures and look at a map of the exact situation. As I say, unfortunately, the day they had the opening of that bridge I was not able to be there.

9:50 p.m.

**Mr. Nixon:** You were in Alberta, I believe.

**Hon. Mr. Snow:** I was out at the ministers' meeting. Let us look into that.

We have some upgrading in our five-year program for Highway 54. There is planned a 6.6-kilometre section for the highway that is about a \$1.25-million job. There are two major contracts. About \$3-million worth of work is planned in that five-year program for Highway 54.

**Mr. G. I. Miller:** Mr. Chairman, I was there during the opening this morning of the new Caledonia bypass, which is going to be useful maybe down the road. Would it not tie in with the bridge at Pauline Johnson to which the member for Brant-Oxford-Norfolk was referring? We still have to service the new Mount Hope airport. In order to make full use of the Caledonia bypass, do you think it would be useful to have a connection to Ancaster, as you are well aware and maybe noted this morning as you drove out? Are there any plans in the immediate future to develop that extension in connection with Highway 403, plus the tying in with the Pauline Johnson bridge.

**Hon. Mr. Snow:** Just a minute. Where is Pauline Johnson?

**Mr. G. I. Miller:** What do they call that new bridge?

**Mr. Nixon:** What, the home?

**Mr. G. I. Miller:** No, Pauline Johnson's bridge, the bridge at the Pauline Johnson—

**Mr. Nixon:** That is the Chiefswood bridge.

**Mr. G. I. Miller:** Okay, we are talking about the same thing. That is still going to service the industrial area. It gives a direct route to Townsend and Stelco across the reservation. It perhaps could tie into a long-range connection with Ancaster and Dundas.

As a matter of fact, a couple of people came up to me this morning. They have some con

cerns about the cutoff or the connecting link with Highway 403. They feel that maybe it should be located at a different place than—what is it?

**Hon. Mr. Snow:** At Fiddler's Green Road?

**Mr. G. I. Miller:** The actual connection is this other point. They say there should certainly be a connecting link with Highway 403 and the new Caledonia bypass.

**Mr. Stokes:** Is this supplementary, Mr. Chairman?

**Mr. Chairman:** It all ties in, I believe, with this whole area.

**Hon. Mr. Snow:** If you travel far enough down the road, it ties in, yes.

**Mr. G. I. Miller:** It certainly does.

**Hon. Mr. Snow:** The interim solution to the access to the Mount Hope airport which you mentioned is now in the works. In fact, the stakes are in the ground. I saw them this morning. That is the Fiddler's Green interchange.

We also have a part of the route for the new Highway 6. This is designated from Highway 403 south for four or five miles. The balance of the route down to tie in with the Caledonia bypass and to provide a major access to Hamilton airport is in the planning stage now, so that we can go through the environmental assessment process and designate the balance of that route. It is in our long-range plan, but as I told the people there today, nothing is scheduled to be constructed in the five-year capital program.

**Mr. Cunningham:** I am reliably advised that the regional chairman in Haldimand-Norfolk is very upset because that particular program, that connecting aspect of that highway, is not being accelerated to accommodate the airport traffic he feels logically would flow into his area.

Can you advise us in somewhat more finite fashion when that connecting link will be a reality? It really does not make sense to establish one end of the Nanticoke corridor and have that great open, vast space in between, which is separated by an airport just sort of sitting there.

**Hon. Mr. Snow:** I had a long discussion today with the regional chairman of Haldimand-Norfolk and he did not mention any of those concerns to me relating to the Hamilton airport. The region, like any other region, would like improved transportation facilities. They were interested as to when the Caledonia bypass might be extended farther north to connect to Highway 403.

I explained to them almost word for word,

verbatim, what I said a moment ago, that we have part of the route designated, we are carrying out a study on the balance of the route which we intend to designate, and eventually it will be put into a capital program. But it has to compete with other priorities in the province.

**Mr. Cunningham:** I do not know why the chairman would not take you into his confidence. We would have that as a key priority within the next three years.

**Hon. Mr. Snow:** You would cancel 403 between Brantford and Woodstock?

**Mr. Cunningham:** No. We would cancel the James Snow Parkway and build this connecting link.

**Hon. Mr. Snow:** The James Snow Parkway has nothing to do with this.

**Mr. Chairman:** Can we go back to Mr. Nixon's questioning, please.

**Mr. Nixon:** You may be aware that Dufferin Aggregates—is there a company by that name? It is Dufferin and so on—has a large deposit of gravel in Brant county which it is now moving to start using. When the Ontario Municipal Board gave approval for it seven or eight years ago, it gave approval to extract the aggregate but said trucks could not come through the town of Paris because that was not part of the original agreement. This means the aggregate is seriously bottled up. They could go along 24A, if one has that in his mind, up north perhaps to 401.

**Mr. Chairman:** Through Cambridge?

**Mr. Nixon:** Through Cambridge. They always welcome gravel trucks there. There is some thought that another bridge across the Grand River could be constructed.

I am not sure whether this proposal has been brought to the attention of the minister or Mr. Gilbert. It is a serious proposal and would require some additional expenditures so the large numbers of heavy gravel trucks would not be going along the township or county roads where there has been considerable urbanization. With a reasonable investment of dollars, it would be quite possible to take it to 403, even the part that is already constructed, not waiting for final grading and paving.

I would ask the minister if he is familiar with any aspect of that proposal and, if not, simply to take it as notice that there will be some proposals along that line which we hope would involve the ministry. You understand the aggregate would be used in many of the projects the ministry undertakes across the province. It is of

extremely high quality, just like the coffee the minister is being served. I wanted to bring that to his attention.

Naturally, I also want to mention again the problems of relocating the access to 403 so we are not going to disrupt the present community unduly. I am sure you would all be sympathetic to my concerns in that regard.

**Hon. Mr. Snow:** It seems to me someplace during the discussion—maybe with you—

**Mr. Nixon:** I have never raised this one with you before.

**Hon. Mr. Snow:** —I have heard the suggestion of another bridge, but to my knowledge we have had no official request from—which municipality is it?

**Mr. Nixon:** South Dumfries.

**Mr. Chairman:** There was a proposal ages ago for another bridge south of Cambridge as part of a ring road system, but that is ancient history. I do not think it is even—

10 p.m.

**Mr. Nixon:** This has surfaced within the past four months.

**Hon. Mr. Snow:** I have not had any—

**Mr. Nixon:** I think they had a meeting with your engineer in Burlington.

**Hon. Mr. Snow:** They may have had a meeting with Cam, however, nothing has come to my office about this. You mentioned Dufferin Construction; they happen to be constituents of mine, but I have not heard from them either.

**Mr. Nixon:** I will get you some additional information.

The last point I want to raise is a little difficult for me, because it sort of reflects both ways. I wrote the minister six weeks ago—

**Hon. Mr. Snow:** About the speed limits?

**Mr. Nixon:** I am in favour of increasing the speed limit. I make no bones about that. However, I did write the minister about a couple of problems that are fairly minor but they point to a problem that has concerned me for quite a number of years. I do not believe you and your officials have any kind of regard for the opinions of the elected members in matters—

**Hon. Mr. Snow:** How can you say that?

**Mr. Chairman:** Would you like to rephrase that?

**Mr. Nixon:** I was driving along the extension to Highway 24, and there is a huge piece of property which you people bought and fenced off. I think: "Well, isn't that nice? I wonder what

it's for?" Some hitchhiker I pick up says, "Oh, that's the new department of highways yard." I say, "You mean Transportation and Communications." He says, "Whatever." I checked it out and he was right. It is not as though I want you to buy it from a friend of mine or something. I just want to know what you are doing.

Somebody phones up and says, "Gee whiz, the park along Highway 2 has been closed down and sold to the nearby land owners." I said: "Oh no, they wouldn't do that. It's ridiculous." I wrote the minister and he said, "We have sold the land to the nearby property owners and, gee, that's too bad."

I do get letters from your people when you want to reduce the speed limit or put up "no parking" signs or something. They say, "Please express your view on this forthwith, because we are going to proceed anyway." I do not mind that. I usually acknowledge the letter.

However, every now and then there are things that happen and I think, "Wouldn't you think they would drop me a line about that and say, 'This is what we have in mind,' or even, 'We are going to do this, buddy, and if you think there is something wrong with it, perhaps you'll let us know.'"

One of the things that did burn me, if you want to know the truth, was that there is a nice little stream which runs through our farm and crosses Highway 5. There is a sign plunked there saying, "Beaver Creek." It has never been called Beaver Creek. There has never been a beaver there—

**Mr. Kells:** What do you mean "never"?

**Mr. Nixon:** Every now and then, some Toronto members go up there. Maybe that is where it got its name.

**Hon. Mr. Snow:** Maybe we could consider changing it to Skunk Creek.

**Mr. Nixon:** Just before you get too funny—

**Mr. Cunningham:** I thought Beaver Creek was where Harold Ballard did his time. Is that not the case? Where there were tennis courts, a six-hole golf course and the French—

Interjections.

**Mr. Chairman:** Order, Mr. Cunningham. Mr. Nixon, could you get on with the question?

**Mr. Nixon:** I have a feeling there is no unanimous agreement that this is an important matter. Actually, it is where the Baptists used to bring their converts to be baptized, and it should be called Baptist Creek. I wrote the historians whoever handles this and got dismissed out of

hand: "What do you know about anything? It only runs through your farm." I thought, "Damn it, I guess maybe I should saw the thing down myself and put up my own sign." However, you probably have some fuddling rule against that too. I really have no complaint at all about the numbers of dollars spent in my constituency.

**Hon. Mr. Snow:** Did you write to me about that?

**Mr. Nixon:** Yes.

**Hon. Mr. Snow:** About Baptist Creek?

**Mr. Nixon:** No. Beaver Creek. Actually, the correct name is Mainwaring. I actually like Beaver better.

Interjections.

**Mr. Nixon:** I wrote to you and I did not get through to anybody about what the correct name was. I just gave up. People keep saying, "Gee, Bob, those dummies in Toronto still haven't got that right." I say, "Oh, yes, I must pursue it." So I am pursuing it.

I have no complaint, to tell you the truth, about the overall process in the constituency. If I were a nearby Tory, I would think that maybe Brant-Oxford-Norfolk was getting more than its share of bucks. You are very slow about Highway 403, but I have a feeling that you are going to live up to your commitment and we will be driving on it within two years or even less. By 1985 we are going to have you or your Liberal successor, probably Mr. Cunningham himself, up to make the speech and cut the ribbon. We will be very careful to see that you are invited, because I feel that you have had a lot to do with it.

However, I have a feeling that you should keep more in touch with the local member. I feel a little sensitive about this. I appreciate that you are busy people and that the minister tries to answer letters, although there are two or three from me that he has not answered. However, I just wanted to bring these matters to your attention. Thank you for your attention and interest in Brant-Oxford-Norfolk.

**Mr. Chairman:** You are expecting a written answer, Mr. Nixon?

**Mr. Nixon:** I do not know.

**Hon. Mr. Snow:** I like to deal with things issue by issue; Bob likes to put nine of them on the platter at the same time.

**Mr. Nixon:** We did all these one by one. Since the Beaver Creek issue—

**Hon. Mr. Snow:** No. You started off with the patrol yard at—

**Mr. Nixon:** No. The issue is that you do not keep me informed about what you are doing.

**Hon. Mr. Snow:** There is a patrol yard to be built. If you look in your green book, which was issued about six months ago, I am sure that project was listed there.

**Mr. Nixon:** You had the property bought, fenced and cleared by then.

**Hon. Mr. Snow:** We are calling tenders this month on a six-bay garage for that patrol. In other words, we are building a steel building to house the snowploughs and equipment. No doubt, they will be followed by sand domes and salt domes. Of course, that new patrol yard is required for servicing Highway 403 and other highways in the area. It is in the book at page 23; it lists a six-bay garage at the Rest Acres patrol yard near the Highway 24A interchange.

**Mr. Nixon:** What is the date of that?

**Hon. Mr. Snow:** The date of this book, I do not know. It was tabled in April, because that is when I thought I was going to do my—

**Mr. Nixon:** That's right. You had the property and—

**Hon. Mr. Snow:** I thought I was going to do my estimates in May, but Eric said he was not ready yet.

**Mr. Cunningham:** That is not what I said. We present them every six months.

**Hon. Mr. Snow:** You said we just did the last damned estimates—

**Mr. Cunningham:** If you really want to know the truth, Kirk Foley called me and said he did not have any new contracts and it would not be prudent to attend.

**Hon. Mr. Snow:** That is why I did not mention property sales. Property sales are handled in a specific way. From time to time we have surplus property in the ministry, pieces left over from construction projects where we do buyouts and so on. We have a procedure. First, we offer it to other government ministries and then we offer it to the municipalities. If the municipalities say no they have no interest in it, then it is put up for either public auction or tender. It is advertised locally.

I can sympathize somewhat with the member. I was thumbing through the Oakville Beaver newspaper the other day. A couple of pieces of property, one owned by the Ministry of Government Services and one owned by the Ministry of Transportation and Communications, were offered for sale in the great riding of Oakville and the local member had not been

informed or had no knowledge of it whatsoever. I guess you are not getting any better treatment than I am.

I am satisfied that a set-down procedure is followed. They were auction offerings. I know in one specific situation in my own riding the property was sold because the reserve bid was met. In another situation the property was not sold because the reserve bid was not met; so I presume it's still on.

We do have a specific program. And I agree with you that when properties are being sold—normally it is either the Ministry of Government Services, my former ministry, or my present one that is selling property—the local member should be notified.

**10:10 p.m.**

**Mr. Nixon:** I would just like to say that the property I have in mind was set up as a roadside park and was very popular as such. I think that is why some of the citizens along there are phoning me; they cannot believe they are closing down this nice little park. It was Beaver Creek.

**Hon. Mr. Snow:** Beaver Creek? I am not very familiar with Beaver Creek. I had a problem like that in the great riding of Hamilton East at one time, when someone wrote to me and said: "You stupid buggers, you put up a sign on Highway 401 calling something the Oakville Creek. It is not the Oakville Creek; it is the 16-Mile Creek." I used to swim in the 16-Mile Creek many years ago, and I knew it was the 16-Mile Creek. We changed the sign.

According to the historical board, or whatever, that was the appropriate name for the creek, although it was not the locally recognized name. If you have trouble between Beaver Creek and Baptist Creek and—

**Mr. Nixon:** Mainwaring.

**Mr. Chairman:** One word or two?

**Mr. Nixon:** One word. I opt for Baptist.

**Hon. Mr. Snow:** Anyway, we will look into it. But there is such a thing as an historical names board in the—

**Mr. Nixon:** Where they got Beaver Creek, I would be interested to know. I have written them.

**Mr. Gilbert:** Do you like Beaver Creek?

**Mr. Nixon:** No.

**Hon. Mr. Snow:** He said he would sooner have Beaver than Mainwaring.

**Mr. Nixon:** That's right.

**Mr. Chairman:** I do not think we can solve

this particular problem now. Can we move on? Have you finished, Mr. Nixon?

**Mr. Nixon:** Yes, I have finished.

**Mr. Chairman:** Mr. Stokes, we have a few minutes. Apparently we are going to have a vote in the House.

**Hon. Mr. Snow:** Have you noted on the record that the Tory member for Brant-Oxford-Norfolk gone astray—

**Mr. Nixon:** What?

**Hon. Mr. Snow:** —said everything is being well looked after in his county, thank you very much?

And now we are going to hear from the Tory member for Lake Nipigon.

**Mr. Nixon:** Do not count on that.

**Hon. Mr. Snow:** I did not want to agitate you, Jack.

**Mr. Stokes:** The minister had better not try to provoke me, because I have a lot of complimentary things to say about the minister and this ministry.

**Hon. Mr. Snow:** I have a lot of complimentary things to say about you too—

**Mr. Stokes:** Do not interrupt me. Over the last number of years, I have complimented this minister for having a better handle on his ministry and a better sense of what his responsibilities are to all the people in Ontario than any minister I have ever known in my time here. In fact, I think we came into the Legislature at the same time.

I, unlike the minister and the Minister of Northern Affairs, who comes up with the bucks, travelled over Highway 584 at the junction of Highway 11 and Nakina over the past weekend. I want to report to the minister that your forces did an excellent job; it took me 12 years to persuade you that you should complete it, but the results are—

**Hon. Mr. Snow:** You mean the highway from Geraldton to Nakina, and I know it very well.

**Mr. Stokes:** Right. I am sure the minister has never travelled it. The Minister of Northern Affairs, who comes up with the bucks, flew into Geraldton and had an official opening. I was not invited. That is fine and dandy; that is the way they do things. But I am going to tell you, I do not think there is a—

**Hon. Mr. Snow:** Ask this gentlemen here. He was on the platform and he had his words to say that morning.

**Mr. Stokes:** The Minister of Northern Affairs had his own little official opening down at the south end of 584, and that is fine and dandy. The people in Nakina and Geraldton who commute on a daily basis, including the people who use the school bus to go from Nakina to Geraldton, know where the action is in Lake Nipigon riding, and I want to say to you that they are very grateful.

I want to ask, though, why on a numbered highway in the province of Ontario you would make one application of asphalt as opposed to two, which I think you normally do on a numbered highway. You know of the capillary action and everything else that happens in parts of the province where there are problems with frost, and they are afraid that after all of these years it just might not stand up.

I am not saying this is right or wrong. That is the only tentatively negative reaction I got. They think it is great, but why did you opt for one application as opposed to two?

**Hon. Mr. Snow:** They boast that what is under the asphalt is the important point.

**Mr. Stokes:** A lot of it is new highway.

**Hon. Mr. Snow:** That is what I mean. The gravel base is the important part. There are many highways that we do not pave at all. We surface treat them with tar and chips. A good tar and chip job would give a very good riding surface.

On a highway like that—it depends on the volume of traffic and so on—quite often we would put down one layer of asphalt as the base first, and follow it up two, three, or five years later with the second one; so if there are any

failures, the failures can be fixed before the final coat is put on.

The road from some place to Pickle Lake—

**Mr. Gilbert:** Highway 599.

**Hon. Mr. Snow:** —was the longest paving job this ministry has ever awarded; it is a couple of hundred miles or something up there. At that time we investigated doing surface treating or hot-mix. Economies were such that we moved in an asphalt plant and put one layer of hot-mix all the way up from Highway 17 or 11, whatever it is, to Pickle Lake. I think that stood up very well, and it is a two-inch lip. Like any job, we may have had a failure spot or two. That is what we did there; instead of surface treating, we put a two-inch lip there.

**Mr. Chairman:** I am sorry, but our time has expired. We have to go into the House for a vote. We will have to carry this vote now. Vote 2704 is the provincial highways program.

**Mr. Boudria:** Can we not continue it at the next session?

**Hon. Mr. Snow:** Of course.

**Mr. Chairman:** We have the Ontario Highway Transport Board coming before us.

**Mr. Cunningham:** We have a couple more members who have brief questions on highways; so let us stand this one down.

**Mr. Chairman:** All right. If you wish, we will stand it down.

**Mr. Stokes:** Only with the understanding that I still have the floor. I will not take up a lot of time, but I have two or three items that I want to discuss.

**Mr. Chairman:** You still have the floor.

The committee adjourned at 10:18 p.m.

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**From the Ministry of Transportation and Communications:**

Gilbert, H. F., Deputy Minister

**Hansard**

**Official Report of Debates**

Legislative Assembly  
of Ontario

**Standing Committee on Resources Development**

Estimates, Ministry of Transportation and Communications

**Third Session, 32nd Parliament**

Tuesday, November 15, 1983

Speaker: Honourable John M. Turner

Clerk: Roderick Lewis, QC

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# LEGISLATIVE ASSEMBLY OF ONTARIO

## STANDING COMMITTEE ON RESOURCES DEVELOPMENT

**Tuesday, November 15, 1983**

The committee met at 7:35 p.m. in room 228.

### ESTIMATES, MINISTRY OF TRANSPORTATION AND COMMUNICATIONS

(concluded)

On vote 2704, provincial highways program; item 1, program administration:

**Mr. Chairman:** I see a quorum so we shall proceed. We were on vote 2704 when we last adjourned and I had a list of speakers, none of whom happens to be here at the moment.

**Mr. Williams:** Mr. Chairman, just as a matter of procedure, vote 2704 is always the favourite topic around here on these estimates.

**Hon. Mr. Snow:** This is the first year we have discussed it.

**Mr. Williams:** Perhaps you would consider at this time allocating time for this vote and the remaining votes, because I would not want to see the whole of the evening run out on 2704. There are some other important votes here and I would like more than just a cursory interest given to them because of limitations on time. Do you have any suggestions as to how we could reserve the last hour for the remaining votes outside of 2704?

**Mr. Chairman:** We have invited to attend this evening, and I see he is here, Mr. Marrs from the Ontario Highway Transport Board. Tonight was to be that particular night and that is why he is here. In adjourning last Wednesday afternoon, we decided to continue and complete provincial highways, vote 2704.

**Mr. Williams:** I would like you to know that I have about 15 or 20 minutes for vote 2706. I do not know how much time the other members would like on that vote, but I would like to be assured of getting some reasonable time on that vote. Whichever other votes members have indicated an interest in, I do not know.

**Mr. Chairman:** Perhaps we could stand down vote 2704.

**Mr. Wrye:** No, no.

**Mr. Williams:** I do not want to let them go. Could we reserve the last hour for all the other votes?

**Mr. Wrye:** Mr. Chairman, my colleague the critic is a little indisposed and he wants to come in and do the Ontario Highway Transport Board as quickly as possible because I think he wants to get home. He probably feels a little worse than I do. With your concurrence, I would like to continue on vote 2704 for now, until Mr. Cunningham and Mr. Stokes show up.

**Mr. Chairman:** We obviously have to reserve time for the OHTB, which is vote 2703, because we have invited its chairman to be here.

**Mr. Williams:** Could we spend the next hour on 2704 and then move on to the other votes? Would that be reasonable?

**Mr. Chairman:** Would that be agreeable to the committee?

**Mr. Williams:** Until the other members get here, then they will protest loudly. Let us start.

**Mr. Wrye:** I have two matters to raise with you on this vote, minister. The first concerns the E. C. Row Expressway. You came to Windsor earlier this fall, I believe—maybe it was last spring, I am not sure; time flies—to open the expressway extension and at that time you indicated some problem with the timetable in terms of the Dominion Boulevard-E. C. Row cloverleaf.

Can you elaborate on that at the outset and indicate what the time frame is now for getting that very needed cloverleaf completed?

**Hon. Mr. Snow:** Mr. Chairman, we have two cloverleaves scheduled for construction on the E. C. Row Expressway, at Huron Church Road and at Dominion. Those are on our schedule. They are not on for this year or next year, but we do have them on our five-year schedule.

**Mr. Wrye:** I will return to Huron Church in a minute because, as you know, that cloverleaf ties into your overall plans for Huron Church Road in general, but I want to suggest—

**Hon. Mr. Snow:** Not our plans; Windsor's plans.

**Mr. Wrye:** That is right, but it involves quite a bit of your money. I understand you were taken on a trip along E. C. Row that morning.

**Hon. Mr. Snow:** I inspected it end to end.

**Mr. Wrye:** I am sure you did. It is my view,

and I am sure you share it, that the cloverleaf, or the lack of one, at Dominion is not only a necessity which has to be rectified in term of transportation convenience but also in terms of safety. I happen to travel that route quite regularly from my constituency office to my home. Quite frankly, I know of no area of Windsor which is as unsafe or as dangerous as trying to move on to the expressway from Dougall Avenue heading towards Dominion. I understand all of that problem will be rectified with the Dominion Boulevard cloverleaf.

7:40 p.m.

I just wonder why there is not some high priority being given that cloverleaf and the solution to that problem before we have an accident that appears to me to be waiting to happen. I travel that route at least once or twice a week and it is a very dangerous route, particularly, I might say, at rush hour. Rush hour in Windsor is usually when the day shift at the auto companies gets out, about 3:30 in the afternoon, and it is very heavily travelled.

**Hon. Mr. Snow:** How come we do not have shifts like that around here? I would love to go home at 3:30.

**Mr. Wrye:** That is because around this place most of us do not start at 6:30 or seven in the morning.

**Hon. Mr. Snow:** Yes, some of us do.

**Mr. Wrye:** My point is that this cloverleaf, in my view, should have an expanded priority because of the safety factor. I know this matter has been raised with your ministry by the city on a prior occasion. I just wonder what the ministry's view of the safety aspect is and whether that is likely to speed up the urgency given this project.

**Hon. Mr. Snow:** As you know, we have given a very high priority to the E. C. Row Expressway for a number of years. In fact, we advanced the whole E. C. Row construction by about three-fold or fourfold, I would say, a couple of years ago. E. C. Row is much further advanced today because of certain activities in Windsor, because of the new Ford engine plant and so on, than it would have been. We spent about \$30 million, if I recall correctly, down there over a period of two years to advance that project.

As you know, earlier this year we opened the two-lane section out to Highway 18. The next two projects on the E. C. Row are the two interchanges, Dominion Boulevard and Highway 3. We have Dominion Boulevard scheduled at this time for 1985 construction.

**Mr. Wrye:** If there is any accelerated capital works projects, I would hope it may be moved ahead.

**Hon. Mr. Snow:** It will be one of the candidates, along with about 99 others, that we have on our priority list all across this great province.

**Mr. Wrye:** I am sure there are a lot. The fact of the matter is, and it is not your ministry's responsibility, E. C. Row was held up for a period of time. I do not think any of us would like to see a high-speed expressway opened with danger points. I want to bring it to your attention that in my view it is something of a danger point and the longer we delay it—

**Hon. Mr. Snow:** I agree. Interchanges are for safety and traffic handling but, unfortunately, we cannot have an interchange at every intersection. We have other highways around the province that are in the same position, where we want to install interchanges, and they have to take their turn.

**Mr. Wrye:** May I ask you one other question related to the E. C. Row? One of your answers twiggd my mind to it because it is on the east side.

Who is responsible for the lighting of those expressways? Is that part of the ministry's responsibility?

**Hon. Mr. Snow:** It is part of the construction program.

**Mr. Wrye:** I ask as a request that one of your people take a look at the lighting and particularly the signing of E. C. Row down near Jefferson and Lauzon Parkway. I happened to travel the route on Saturday night. We were out on the east side and coming back—

**Hon. Mr. Snow:** That is what you get for going out on Saturday nights.

**Mr. Wrye:** I know, but I was with my wife and daughter so it was not a party evening.

I want to bring that section to your attention, because the road very quickly narrows from four lanes to two without appropriate signing and in that area in general there is no lighting. I believe there is no lighting until around Central Avenue or Walker Road, somewhere in that area, the central part of E. C. Row. I meant to bring this to your attention before. There is a real need for proper signing there and for proper lighting in particular, and I hope your people would take a look at that at the first opportunity. I will leave that with you.

Again, in terms of the danger of a high-speed expressway, it certainly struck me on Saturday

night that, although in light traffic it is not so bad, the expressway suddenly narrows from four lanes as you come off—I believe it was Lauzon Parkway I was on.

**Hon. Mr. Snow:** Shortly after you go past Lauzon, you go down to the two-lane section.

**Mr. Wrye:** That is right. Lauzon Parkway is four lanes each way but there are two lanes oncoming, so in effect—I was going westbound—it is four lanes. Suddenly it becomes two lanes and there is no appropriate signing that the road is narrowing from four to two lanes and there is no appropriate lighting.

**Hon. Mr. Snow:** There should be. If there is not, Margaret will be out there putting up a sign tomorrow.

**Mr. Wrye:** Very good. I will have a look this weekend and get back to you on Monday.

One other issue, and you alluded to it, is Huron Church interchange. What discussions, if any, have you had with the city on the whole Huron Church project? As you are aware, there was a schematic drawing some time ago about that whole area from Tecumseh to Cabana. I would like to know if that has any priority.

**Hon. Mr. Snow:** Oh, yes. Huron Church is a connecting link agreement on Highway 3, going through the city to connect up with the international boundary there. We have had correspondence and resolutions from the city. They have a very ambitious plan to upgrade that road.

When I was in Windsor earlier this year, the mayor made it a point to take me on a tour via some of it. I have to say it is a pretty good road. It is better than many in the province, but perhaps does not meet the standards that they would like to have or that perhaps are warranted by the traffic that uses it.

The city has established a program for the upgrading of that under our connecting link funding. Connecting link funding is a separate pot of money in the overall municipal roads budget and it is restricted. However, it is a need and we will work out a program with the city as to how we can phase that in and do so much of it each year. I do not think we have finalized a program yet.

**Mr. Wrye:** I will go back to the safety aspect. I believe the speed has been reduced on Huron Church Road. At one point it was 80 kilometres an hour and I believe one section is now down to 60 and another to 70 in the area that the city is talking about improving.

It is my view, as somebody who travels that

road on a fairly large number of occasions, that even those speeds with the heavy volume of traffic, as you have pointed out—and this is the main link between Highway 401 and the bridge; it is a huge truck link, and that is the danger.

**Mr. Gilbert:** Plus the entrances, in turning.

**Mr. Wrye:** That is true. The road is not bad for a minor four-lane road, but it is not a minor four-lane road. I would suggest to you it is probably as heavily travelled as any intercity arterial road.

**Hon. Mr. Snow:** I do not recall the detailed plans of the city for that, but it is probably the type of urban arterial that should be a five-lane road. I did not believe in five-lane roads but I am totally convinced now, because in that type of situation where you have two lanes in each direction and a centre left-turn lane which gets the left-turn vehicles out of the traffic lane, that is probably the type of cross section that road should have.

7:50 p.m.

I hope they are not planning on a three-lane road, because that would increase the budget.

**Mr. Wrye:** No. We have something in Windsor called trilvel meetings of representatives of the three levels of government. I certainly intend to raise this with the city.

I would also leave this with you. You may want to discuss with your colleague the Minister of Tourism and Recreation (Mr. Baetz) that this is really the entry point for as large a population coming into Ontario, on vacation or whatever, as you get at any entry point in the whole province.

Quite frankly, in that area from Tecumseh to Cabana, we now see something which really does not stand us in very good stead. It is a road which, as you say, would probably be more than adequate if the volume was fairly light but the volume is very heavy. As a result there is a great danger. Also, the road is not constructed with any amenities in mind.

What portion would be provincially paid under the program you have? Fifty per cent?

**Hon. Mr. Snow:** No. That would be a connecting link, under 75 per cent.

**Mr. Wrye:** It would be 75 per cent provincial? Is the municipality responsible for the initiative?

**Hon. Mr. Snow:** Yes. In all due respect, I do not think there is any lack of initiative on the part of the municipality. They have given this a very high priority and we have had correspondence with them about it. As I said, I think

overall our connecting link funds are about \$19 million or \$20 million a year throughout the whole province.

**Mr. Gilbert:** To be fair to Windsor, as you know, they too have had expenditures tied in with the E. C. Row and have paid a high proportion of the cost. They have had expenditures. Now they are starting to turn their attention to this problem.

**Mr. Wrye:** I certainly want to identify for you those two areas that I think are high priorities for the community. Indeed, in the latter case—and really to some extent in the former, since as you know the early cutoff from Highway 401 means there is a greater volume on E. C. Row, but in the latter case in particular—it is a very important link from a tourism point of view. I do not think I can stress that enough. I think people's entry into our province ought to be as pleasant as possible.

You alluded to the fact that the mayor took you up one side of Huron Line, I gather, so you did get to see the whole length of Huron Church Road. Quite frankly, as one who travels that road on a regular basis, I do not think what we have there right now is very pleasant. The project the city has in mind will cost between \$15 million and \$20 million, if I am not mistaken. That is the figure that comes to mind.

**Hon. Mr. Snow:** That would take almost our total budget.

**Mr. Wrye:** I want to put that up as a proviso.

**Hon. Mr. Snow:** Right now I am not about to allocate the total budget for 1984 to Windsor.

**Mr. Wrye:** How about half of it?

**Hon. Mr. Snow:** Or for 1985. We will work out a program with them over a period of years to do the upgrading.

**Mr. Wrye:** There is no doubt it certainly can be done over a period of years, but I think the time has come to get started on it.

That is the last point I wish to make. Thank you, Mr. Chairman.

**Mr. Chairman:** Thank you, Mr. Wrye. Mr. Watson? By the way, Mr. Wrye, who was E. C. Row?

Interjection.

**Mr. Watson:** Mr. Chairman, I would like to go back to where you were talking about Highway 401. As I travel back and forth to Toronto, I see these nice parking lots with a lot of cars in them out at these cloverleafs adjacent to Toronto. One of my perennial problems and questions is, why cannot those of us who live further along

Highway 401 have a parking lot in the cloverleaf, where people could meet to drive to Windsor or wherever, so they can park their cars instead of having to meet in town or someplace like that?

**Hon. Mr. Snow:** If you have any specific interchanges to suggest, we would be glad to look at them because that has been a very successful program. We started it about four or five years ago.

I have to admit the first one was built at Trafalgar Road and Highway 401, and it became so successful that before the first summer was over we had to double the size of it. We built about seven or eight that first year, and we have been adding four or five or half a dozen each year. In fact, on the new Highway 403, where we are constructing, we are putting in the commuter parking lots as part of the program.

When a new interchange is built, the commuter parking lot is being put in. We are extending them east of Metro out to Port Hope. In reviewing our program for next year's construction, we are putting one in at the corner of the Queenway and Highway 7B in Peterborough. We are expanding the program. We have them out at Highway 6 and 401.

Any place where commuter traffic is such that a commuter parking lot makes sense, then we are quite prepared to put them in. They cost money, but they are not overly expensive. Normally, they are built on land we already own at the interchange, and we have put some of them in for \$10,000 or \$15,000 as an initial stage in gravel. They cost more than that when we asphalt them. We arrange with Bell Canada to put in a telephone booth, so that if people are waiting there, they can at least make a telephone call. If you have any specific locations in your particular area—

**Mr. Watson:** We have Highway 40 and we also have Bloomfield Road. My next point was the request I had for a telephone at the intersection. The people who live near the intersection are getting tired of everybody coming and knocking at their doors at all times of the day or night. The answer I get back is if there was a commuter parking lot, you would put in a telephone.

True, there are places on side roads to park the cars, but I think in terms of our programs of energy saving, of trying to promote people to save energy, the fact that there is a parking lot there with a sign kind of gives the impression "We should get together, and here is a place to park the car." As you say, if there is a telephone,

if someone does not show up when he is supposed to, one can make some kind of check on it.

I am specifically interested in the people from Chatham who have to meet and go places, but I would like to encourage it as a government policy. I think it makes sense from the standpoint of encouraging people to get together to do those things. I realize every time I write you about it, you send me back a nice answer and say, "Yes, it is a good idea. We will get to it some day." I would like to put that plug in again for commuter parking lots.

**Hon. Mr. Snow:** At the end of 1982—and this program started in 1979, so it has only been going for three years—at the end of three years we had constructed 25 of them. There are 25 commuter lots. I am not sure how many were built during 1983, but two or three more were. I know we have several scheduled for 1984-85. Some of them have been more successful than others, but most of them have been very successful, and not just for commuters going to employment.

8 p.m.

I notice the one in our particular area, which is half a mile from where I live, is not as busy on weekends, but I would say it is about 60 per cent or 70 per cent as busy as it is during the week. There are cars there every Saturday and Sunday. Now the only conclusion I have is that people use it to go to their cottages. In the wintertime, Trafalgar Road is quite a common road to use to go to Collingwood, the ski area.

I can only assume that maybe people from Mississauga, Oakville, Burlington or whatever meet at that lot and get in one car and go on. On weekends the lot is two thirds as full as it is through the week. So it is important on the weekend too.

**Mr. Watson:** From the standpoint of saving oil, gas and energy and keeping people off the roads, it has to be a good idea.

**Hon. Mr. Snow:** It is. We tried it out three years ago and it was very successful. It is an ongoing program with the ministry now.

**Mr. Watson:** I have another specific. I was pleased to hear you say you now believe in five-lane roads. I recall your fears back when the city of Chatham wanted to have five lanes on Keil Drive, which is the section from the Thames River down to where it turns at Richmond Street and goes west again. The ministry was not in favour of a turning lane.

**Hon. Mr. Snow:** It all depends on the traffic volume and other conditions. I think we have seven lanes on parts of Highway 11, Yonge Street, up in Richmond Hill, in that area. We have three lanes in each direction and that centre lane for turning.

**Mr. Gilbert:** It depends on whether there is a lot of turning movement. That is the value.

**Hon. Mr. Snow:** It all depends on the numbers. If it is an area where there are no entrances—almost a controlled access highway—then it is not beneficial.

**Mr. Watson:** That particular intersection—

**Hon. Mr. Snow:** If there are a lot of businesses—I have been very critical in some cases in my own municipality of Oakville. We have an east-west industrial road, Speers Road, which has been rebuilt over the past number of years. Most of it is a four-lane road. When you go over into Burlington, same road—it is called Fairview—same type of industry, they have designed and built it as a five-lane road. My observation is that it works a lot better because it has that turning lane.

**Mr. Watson:** I am sure that particular section in Chatham would work considerably better, and it shows up, because the extensions on the new Lacroix Street bridge there have the turning lanes. Everybody now notices they are there, and there are a lot of businesses on Keil Drive. I am thinking of the co-op, International Harvester, Canadian Tire, the Wheels Inn and the bowling alley. There are a lot of businesses in a very short section there and a turning lane would certainly come in handy.

Can I question your policy on lighting of corners? I have a specific reason for asking. It has to do with the township of Chatham's request for lighting—and I mean just illumination lighting—at the corner of the fourth concession and Highway 40, just north of Chatham. Their reason is that to the south and east of that corner is the Chatham Place Mall, which is all lit up.

There seems to be the perception—and I tend to agree with it—that when you are coming up to that corner on the highway, the corner seems that much darker when those great big lights of the parking lot are all lit up, just off that corner. I think the first reaction from your local office is that the traffic volume does not warrant illumination at that corner.

The perception of the township people, and I tend to agree with them, is that after dark, because the parking lot and the shopping plaza

are all lit up, it is more unsafe than another road a mile north that might have as much traffic, but where everything around it is dark and, therefore, the headlights coming into that corner might tend to make it safer.

Do you have any particular policy on that?

**Hon. Mr. Snow:** Yes, we definitely do. We have a warrant system for intersection illumination, the same as we have a warrant system for signalization at those intersections.

**Mr. Watson:** What do you mean by a warrant system?

**Hon. Mr. Snow:** We have criteria, certain conditions: the amount of traffic, the physical configuration, the accident experience, the amount of traffic crossing the intersection compared to the amount on the main thoroughfare. This is all calculated to decide whether an intersection warrants, first, traffic signals and, second, illumination. Unless the intersection meets those warrants, we do not install illumination.

If a municipality wants to install illumination at an intersection as part of its municipal street-lighting program, we do not object to that.

**Mr. Watson:** This particular situation is along a township line, which may present problems that way. I think the local people are saying you have it illuminated down in front of the parking lot and it is—

**Hon. Mr. Snow:** Is that our illumination? I doubt it.

**Mr. Watson:** I do not know. There are certainly traffic lights going into the shopping mall. They may have been put in by the mall.

**Hon. Mr. Snow:** They were probably paid for by the developer. That is the normal policy. If someone is developing a new industrial complex or a major shopping centre or whatever, if the type of entrance being created and the amount of traffic it is going to generate requires traffic signals, then it is a requirement, it is part of the entrance permit fee, shall we say, to install those traffic lights.

**Mr. Watson:** Okay. I do not disagree with that policy.

**Hon. Mr. Snow:** Perhaps illumination as well.

**Mr. Watson:** At present I have a situation where the municipality is saying that because you gave it the permit and so forth and because that mall exists there and it is entirely lit up, it makes that corner—

**Hon. Mr. Snow:** I am sure that mall is paying taxes, too.

**Mr. Watson:** Yes, I am sure they do and they have been the subject of certain annexation hearings over the amount of taxes they pay, too.

One other specific area I have in mind here is the matter of the signing of Communication Road and Highway 2 as an alternative to Highway 40. We seem to have agreement with the city of Chatham, the county of Kent and the township of Chatham that they would be prepared to allow you to put a number on that without taking it over.

The problem comes with the merchants, mostly the small motels, on Highway 2 east who want a 40A designation or a 40-something designation on Communication Road and Highway 2. Anybody who is going off Highway 401 and Highway 40 and who is headed for Wallaceburg is likely going to go that way anyway, if he knows the roads at all.

**Hon. Mr. Snow:** The new bridge that we built there across the river—

**Mr. Watson:** Sherman Brown Bridge. That is a county bridge.

**Hon. Mr. Snow:** Right. That is the new county bridge and it goes up to—

**Mr. Watson:** Highway 2.

**Hon. Mr. Snow:** No. Going north across the Sherman Brown Bridge, there is a county road that runs along to the left there.

**Mr. Watson:** No, that is Highway 2.

**Hon. Mr. Snow:** Is it Consumers Road or Commercial Road?

**Mr. Watson:** No, that is Communication Road. Sherman Brown Bridge is on Communication Road. Communication Road is on the south side of the bridge and Prince Albert side road is on the north side of the bridge. When you get over, that new stretch of road is less than a mile long.

**Hon. Mr. Snow:** Then it runs into a road that turns to the left.

**Mr. Watson:** That is Highway 2.

**Hon. Mr. Snow:** Okay.

**Mr. Watson:** Then Highway 2 goes straight in until it comes to Highway 40, which goes north.

**Mr. Gilbert:** Could you not say "To Highway 2"?

**Mr. Watson:** It says "To Highway 2" at present.

**Mr. Gilbert:** Could you not also put up a blazer? You could not put up a number, but you

could put a blazer on it saying "To Highway 2" along it. That is all you want.

**Mr. Watson:** What they have asked for, and I thought maybe we had agreement on it but there has not been, is simply to label it. As I understand it, you have problems in labelling a road 40A if you do not have control of the road, if you do not run the snowploughs and everything for it.

**Hon. Mr. Snow:** We have Yonge Street labelled Highway 11 and it is not our road.

8:10 p.m.

**Mr. Watson:** The local municipalities there have agreed to that for the sake of the travelling public and the motels that want to print stationery to say "Stay on 40B" or 40A or whatever designation you want to give it. The only road is Highway 2 at the present time, so that would not present any problems to you. The only road is Communication Road, which is really a county road but it runs through Harwich township and then into Chatham township. For the travelling public and the sake of the local people who have the motels there, they would like a 40B designation.

**Hon. Mr. Snow:** Unfortunately, that just depends which road your motel is on.

**Mr. Watson:** So far the answer has been to put up a big sign, but I can understand it is confusing when you come to that corner if you have never been there before. Yet it is well built. It is a relatively safe corner.

**Mr. Gilbert:** But you are asking for a different number there. As the minister says, you sign Highway 11 or something like that through, but you are suggesting a different number across it.

**Mr. Watson:** It does not have a number on it at all right now. All it has on it is "Communication Road." When the bridge was opened, the compromise reached was that they put the signs on it that said "To Highway 2." There are some signs there now which say "To Highway 2."

**Hon. Mr. Snow:** But you would like it signed 40B.

**Mr. Watson:** What the people there would like, and I tend to agree with them, is a 40-alternate road, a 40A. Highway 40 goes right through the middle of Chatham. I understand that.

**Hon. Mr. Snow:** Highway 40 goes right through downtown and over the Lecroix Street bridge.

**Mr. Watson:** Yes, and that is another subject.

**Hon. Mr. Snow:** It would create a bypass of the downtown area.

**Mr. Watson:** A 40B would simply be a matter of going over there. As I say, I thought we had an agreement on it, but we have not seen any signs yet.

**Hon. Mr. Snow:** I know we have been working on that and we will certainly follow it up.

**Mr. Watson:** I understand that you normally do not do it because the local municipalities usually object. In this case, the local municipalities are saying it is okay.

**Mr. Gilbert:** They will want us to take it over before too long.

**Mr. Watson:** No, they do not. They are quite prepared to have you sign it without taking it over.

**Hon. Mr. Snow:** We will get that in writing.

**Mr. Watson:** I guess the last thing I want to mention is that we are encouraged by the progress of Prairie Siding Bridge. I understand that because of the weather conditions they are ahead of schedule. We look forward to having you down in Chatham-Kent next year for an opening of that bridge, which will be much appreciated.

**Hon. Mr. Snow:** Not this fall?

**Mr. Watson:** No. They just started on the centre pier. That will be some time next summer.

**Hon. Mr. Snow:** We will be there.

**Mr. Chairman:** Thank you, Mr. Watson. Before proceeding, one or two members have just joined us. Just to set the stage of where we are going, we are continuing our rotation from last Wednesday, the last day we met.

I had promised Mr. Stokes he would be on. He has just arrived, and by rotation by party it is now Mr. Stokes's turn to speak. However, we did agree that we would cut off debate. I suggested 8:30 but the committee talked me into nine o'clock on this vote so we could get to the Ontario Highway Transport Board and other votes prior to adjournment at 10:10 p.m.

**Mr. Laughren:** Before you come to any conclusion, would you read the order of speakers on the list in front of you? Not the way in which you have decided to reorder them, but the list as it reads in front of you.

**Mr. Chairman:** I will read it, if you wish, the

way I have it down here. I will also read it the way I intend to recognize the speakers.

**Mr. Laughren:** No, no, the way it is.

**Mr. Stokes:** He is just being mischievous.

**Mr. Chairman:** I think he is.

Interjections.

**Mr. Chairman:** Mr. Stokes was the next speaker. The member for Lake Nipigon.

**Mr. Laughren:** You are not going to read the list?

**Mr. Chairman:** Mr. Laughren is next. He was on and I am rotating by party. You are next for sure, Mr. Stokes. Although I have Mr. Cunningham ahead of you, I will recognize you first and you can deal with Mr. Cunningham.

**Mr. Stokes:** Mr. Chairman, I would like to ask the minister if he is having second thoughts about the way in which priorities are arranged. I am not doing this for the purpose of driving a wedge between people. I just have so much respect for the minister and the people in his ministry.

**Mr. McKessock:** He wants something.

**Mr. Stokes:** No, no. The way in which we order priorities in northern Ontario now is that the funds are appropriated for another ministry, then once they establish their priorities they come to you and say, "This is what you are going to do."

I do not think I am telling any tales out of school when I say there are some noses out of joint. Your people are travelling those roads on a daily basis, and I know they make representations to the regional director and to the assistant deputy ministers, the deputy minister and you, but the decisions are taken by another ministry. Once the decisions are made, they say, "You perform the work."

Are you in a position to say whether it causes problems for your staff? As I say, not to take anything away from the Ministry of Northern Affairs, but they look at it from their perspective. A good many of those people were seconded from your ministry all right, there is no question about that, but I get the distinct impression that some people in your ministry are not at all happy with that. Does that still cause some problems?

**Hon. Mr. Snow:** No, I do not think so. Like any other thing, when the Ministry of Northern Affairs was first established, I guess there were some doubting Thomases about how this thing was going to work. I think it has worked very well. You have to remember that practically all

the staff of the Ministry of Northern Affairs were MTC-trained. The minister might not like us saying that.

**Mr. Stokes:** Some of them were.

**Hon. Mr. Snow:** The vast majority of them were, from the deputy minister down. They understand our ministry's priorities and we have a great deal of consultation between the two ministries. We put forward the specific detailed information as to maintenance requirements.

One thing we are very concerned about is, if a particular highway is due for resurfacing, that it gets resurfaced when it needs resurfacing and is not allowed to deteriorate, and that has not happened. Sometimes it is a sexier situation to build a new road some place than to put a new surface on an existing road. In our own ministry, as far as northern Ontario is concerned, we put a very high priority on maintaining our existing plant. If a road comes up, part of Highway 17 or whatever, that needs resurfacing, then that gets a very high priority.

We sit down on an annual basis and establish the program for the coming year. I have to say that in the past number of years we have had no disagreements between the two ministries. Money allocated for new highway construction beyond the existing system is basically a decision of the Ministry of Northern Affairs.

**Mr. Stokes:** Let me ask you then: You know the problem we had with the Hillsport road—

**Hon. Mr. Snow:** With all due respect, since the Ministry of Northern Affairs came into being, they have basically had the same amount of money from the basic road budget as we would have had under the old system in northern Ontario. However, in addition to that, the minister has what they call the northern priorities budget. He has used a major portion of his northern priorities budget, over which he has discretion, to put in to accelerate a number of highway and roadbuilding projects.

**Mr. Stokes:** That you would not have had.

**Hon. Mr. Snow:** That I would not have had. I think really the Ministry of Northern Affairs has definitely accelerated road work in the north, although not necessarily through the basic budget. I do not say the minister has done anything more or changed the priorities on that, but in addition to the \$55 million or \$60 million a year in the capital budget we probably would have had, he has added another \$15 million or \$17 million each year out of the northern priorities budget, which I would not have had the ability to do because I would not have had the budget.

He has X dollars in that budget, which he can use for fire engines, to help remote communities, logging access roads, water systems, nursing stations or many different things to meet the specific priorities of northern Ontario. As I say, it has usually been about \$15 million or \$17 million, and he has put a major portion of that amount into accelerating the road program, which has helped us to upgrade the road program in northern Ontario. I think we have made a lot of progress up there.

8:20 p.m.

**Mr. Stokes:** I see some difficulties looming on the horizon. Do you know there is a private member, who shall remain nameless, who has just had a resolution calling for a commissioner of transportation to be set up in the north?

**Hon. Mr. Snow:** Yes, I heard about that. I got my application in for the job, because I love northern Ontario and I would love to be commissioner of northern transportation.

**Mr. Stokes:** I understand there were some people over on your side who were not too happy with that, but they thought, "Well, if we don't say anything about it, the whole thing will go away." Was that window-dressing or do you feel we need a commissioner of transportation in the north? That is a rhetorical question.

**Hon. Mr. Snow:** Will you give me a chance to answer?

**Mr. Stokes:** Yes, I will.

**Hon. Mr. Snow:** No.

**Mr. Stokes:** All right. You know the problem we had with Hillsport. You had a working agreement with American Can, now James River-Marathon Ltd., that turned over the woodlands division to Pic River Forest Products. The net result was that it isolated a community called Hillsport, where not only does somebody have to maintain what is not a numbered highway, but a bush road—

**Hon. Mr. Snow:** It is a bush road, yes.

**Mr. Stokes:** I want to thank you and your regional director for sitting down with the regional directors of Natural Resources and Northern Affairs and coming up with something. Sure, they are going to have to come up with some of their own dollars, but the thing is that it was as a result of an initiative by your ministry.

**Mr. Gilbert:** Yes, because we do have a responsibility for overall transportation. Certainly in issues like that, when the regional director finds that nothing is going to happen,

we take responsibility to make sure, in a case like Hillsport, that we bring the people together and try to come up with a resolution. It is not only Hillsport; there are other isolated communities in the north.

**Mr. Stokes:** I want to get into them.

**Mr. Gilbert:** That is right. What we are trying to do is come up with a policy to deal with all of them. Meanwhile, Bill Neilipovitz, after discussions with me, pulled everyone together and came up with a short, ad hoc decision.

I do not see that there was any failing on the part of MNA in that at all. I think there are times, whether it involves standards or something else, when a resolution cannot be arrived at between the staff. That is when the regional director, in the case of Neilipovitz, comes to me and I go to the deputy in Northern Affairs and we settle the issue and that is the end of it. Even though staff down the line may have been a little upset about one thing or another, the communication is good, as the minister has said, between the two ministries. It is better than it ever was.

**Mr. Stokes:** I hope I can continue to rely on you people for that role, because we are going to have it in often. We have got other communities such as Ferland, where the only thing they have now is a two-car, three-day-a-week jitney going from Capreol up to Sioux Lookout. I know your ministry, along with Manitoba's, is looking into rail deficiencies. There is the closing of the Pagwa subdivision and the runthrough of Nakina.

I do not want to bore you or take all the time of the committee, but what I am concerned about is whether your ministry is going to play a lead role. I can tell you I have had the Hillsport thing on my plate for more than two years.

**Hon. Mr. Snow:** You do not have to ask that question. You know the Ministry of Transportation and Communications always takes a lead role, no matter what the problem is.

**Mr. Stokes:** I would like to be able to assure the people of that, not only with regard to Hillsport but also with regard to those other communities.

**Hon. Mr. Snow:** What is that other place we have been dealing with for the past 20 years? Dubreuilville. We will get that one settled too.

**Mr. Gilbert:** As far as the rail is concerned, we feel the federal government has a responsibility. When you say they pull off this jitney service, or whatever it is, certainly we go and intervene to try to make sure the federal government still takes some responsibility to provide service. We feel quite strongly they should

not be pulling out of those areas without providing funds for putting in a road or some alternative way to give service.

We have not been too successful in some of those areas, as you know, but the first approach has to be to intervene at the Canadian Transport Commission hearings to try to prevent the federal government from just pulling out and leaving these people high and dry in these small communities, because we are left holding the bag.

**Mr. Stokes:** Exactly. I am glad I have that assurance.

One other thing. I know there is a dichotomy between the minister and the deputy minister about paving shoulders. I am told the deputy does not think it is a good idea to pave shoulders because it causes some problems; at least that is what he intimated to me two or three years ago.

I have asked that they pave the shoulders on a new stretch of highway. They are upgrading the roads into places like Red Rock and Hurkett, and I asked whether it was possible to pave those shoulders. They said no, they are not going to.

**Hon. Mr. Snow:** Which highway is this?

**Mr. Stokes:** I do not have the number, but it is west of Nipigon; it is the access road into Red Rock. Then there is the road at Hurkett; it is a loop road.

**Hon. Mr. Snow:** Which minister and which deputy are you talking about?

**Mr. Stokes:** I am talking about you two. That is who I am talking about.

**Mr. Gilbert:** We have a standard. We have no difference of opinion.

**Mr. Stokes:** I can tell you that when you drive up Highway 69 you have done a beautiful job of paving those shoulders, but half the people are afraid to turn on to them.

**Hon. Mr. Snow:** We have paved those shoulders the same way throughout the northwest.

**Mr. Stokes:** When I asked your district people whether they would consider paving the shoulders, one of the reasons they gave for not paving them was that if they paved the shoulders wide enough, people would start using them as passing lanes. I thought that was the idea of the whole process in the north.

**Hon. Mr. Snow:** It is, but we have a definite policy. We have a special policy for Highway 17, where we are making eight-foot paved shoulders, I believe, in most of those areas where we are rebuilding.

We also have a universal policy, which I initiated across the province in 1977, for any two-lane highway with a traffic volume of more than 4,000 cars per day or where the traffic volume is anticipated to meet 4,000 cars per day within a five-year period. A repaving job does for 20 years. If we are repaving a road and it does not have 4,000 cars per day on it today, that is, if it has 3,700 but we anticipate it will have 4,000 within five years, then we do the two-foot paved shoulders.

8:30 p.m.

That has been a very successful program. It gives you a 12-foot driving lane and a two-foot paved shoulder—it is half a metre now; I am sorry about that—half a metre of paved shoulder. That cuts down greatly on our maintenance of the shoulders, because the cars are not dropping off the edge of the asphalt. Our research showed that by having the extra asphalt, the percentage of cars that wandered over the edge dropped dramatically.

The two-foot paved shoulders give us most of the benefits of the fully-paved shoulders and reduce the amount of grading and maintenance work that needs to be done on the shoulder to keep the gravel up to the edge of the asphalt; the trucks going by do not suck the fines out at the edge of the asphalt.

It is automatic now that every two-lane highway in the province—and I do not care whether it is northern Ontario, southern Ontario, Nakina or wherever—if it has 4,000 cars a day, qualifies for a two-foot paved shoulder.

**Mr. Stokes:** What are your plans for Highway 614, the highway to Manitouwadge? That is where there was the big Hemlo find, the largest gold find in Canada.

**Hon. Mr. Snow:** You did not tell me about that before they found it.

**Mr. Stokes:** No, I did not. I had stock in it in 1956, and the company went defunct. Now it is selling for \$21 a share, and I am stuck with a bunch of wallpaper.

**Hon. Mr. Snow:** Why did you not tell me? Well, I am not allowed to buy it anyway.

**Mr. Stokes:** We have had correspondence on this.

**Hon. Mr. Snow:** I do not know of any problems. I have been in touch with the Hemlo people. The executive vice-president of Noranda called me. One of the problems they have is gravel, because we own all the gravel in the area. There is a big gravel pit, which the

ministry owns, but apparently there is not too much other gravel in that area. They need gravel for construction purposes and so on.

We negotiated an arrangement with them. We did not want to give away all our gravel, naturally; so we made an arrangement with them that we would let them use MTC gravel and they would replace it ton for ton with crushed rock or whatever, once they started their mining operation. That was a decent deal; it accommodated them, and we have access to aggregate for future construction. We worked out that kind of arrangement with them.

I think we also had a discussion with them about a new intersection on the highway, which was dealt with in a routine manner, but I am not aware of any outstanding items now.

**Mr. Stokes:** You have to upgrade the highway, and I have a commitment from you, in writing, that you will do it at the appropriate time.

**Hon. Mr. Snow:** We will. We always meet our commitments at the appropriate time.

**Mr. Stokes:** Finally, there is the matter of the little fingerboards at the side of the highways. We have transport truck drivers looking for places like Dorion and Hurkett and they just cannot find them. You need a pair of binoculars just to read those little fingerboards, let alone locate them. Why can you not spend a little more money for pieces of plywood about two feet by four feet, or whatever that is in metres now, and stick them up—

**Hon. Mr. Snow:** That is about half a metre by 1.25 metres.

**Mr. Stokes:** Why can you not do that? You people have your mindset about these fingerboards, and one needs a royal decree to get something up there that anybody can read.

**Hon. Mr. Snow:** Now, now.

**Mr. Stokes:** I have letters from your people up there; they do not make the policy, they carry it out. What is wrong with having a sign about so long and so high, with "Hurkett" written on it, or "Dorion," or the names of any of these places where people have business from time to time?

Let me tell you that we have one of these tree nurseries in Hurkett, where everything that went to make it up, including the planting boxes, the containers and everything else, had to be brought here from southern Ontario. That is where they make those things. I am told the fellow who was driving that transport went by Hurkett four times, two in each direction,

before he finally—it was late at night—got somebody stopped and he said, "Where the hell is Hurkett?" They said, "About three miles down the road." There is really no excuse for that.

**Mr. Gilbert:** We are constantly reviewing our signing policy, as you know.

**Hon. Mr. Snow:** But we will never make everybody happy with it.

**Mr. Stokes:** I will make them myself, if you will let me put them up.

**Hon. Mr. Snow:** About 50 per cent of the correspondence or problems I get brought to my attention involve a sign, one way or another, whether it is a municipal sign, a field advertising sign or some kind of a damn sign or other.

**Mr. Stokes:** I told them I would bring it to your attention and I will send them the Hansard.

**Mr. Harris:** Mr. Chairman, could I make a comment about paved shoulders?

**Mr. Chairman:** We are off paved shoulders, but a one-liner would be okay.

**Mr. Harris:** You said the two-foot paved shoulder, the half-metre paved shoulder, is for all two-lane highways.

**Hon. Mr. Snow:** All two-lane highways with 4,000 cars per day.

**Mr. Harris:** Would Highway 539 from Field to River Valley, which I believe is being reconstructed in 1984, qualify for the paved shoulder?

**Hon. Mr. Snow:** No, I do not believe that would, Michael.

**Mr. Harris:** But it is going ahead in 1984?

**Hon. Mr. Snow:** Yes.

**Mr. Harris:** Thank you, Mr. Chairman.

**Mr. Gilbert:** Minister, we could answer Mr. Stokes, who asked about Highway 614. Certainly we realize it requires resurfacing. It is in the five-year program. It certainly is not scheduled within the next year, but it is within the five-year program.

**Hon. Mr. Snow:** As we have told Mr. Stokes in our correspondence, we will meet the needs as they develop. As the traffic builds up into the mine, if an increased facility is necessary, then it will be scheduled and built.

**Mr. Stokes:** I will give you some background information privately. I will send it to you to show you the magnitude of the construction in the Manitouwadge area alone.

**Hon. Mr. Snow:** I understand it is accelerating quite fast.

**Mr. Stokes:** It is.

**Hon. Mr. Snow:** What I told you in a letter six months ago might be totally different today, you have to remember. We are a very flexible ministry and we meet the need of the day, not what it was five years ago.

**Mr. Stokes:** Yes. Thanks.

**Mr. McKessock:** Mr. Chairman, I would like to talk to the minister for a few minutes about the need for a four-lane highway from the metropolitan area to service the Grey-Bruce area. I am sure the deputy minister is well aware of our needs up there, but I want to make sure you are aware of them.

**Hon. Mr. Snow:** Are you suggesting that this should include a bridge to Griffith Island?

**Mr. McKessock:** I have not got that far yet.

I sometimes wonder if it is a wee bit like the shoemaker's kids who do not get shoes. We have the deputy minister living in our area but we are not getting the four-lane highway that we need up there. Either that or you keep him working half the night. If he comes up in the middle of the night there is no problem. There is no problem down around Toronto travelling at two o'clock or three o'clock in the morning either. There is a severe need for a four-lane highway from the metropolitan area to service the Grey-Bruce area.

I have a resolution, passed by Hanover council on November 9—you should have it by now—

**Hon. Mr. Snow:** I am sure we have.

**Mr. McKessock:** —but maybe it has not crossed your desk. That was six days ago, I guess. I will read it to you, it is very short, and bring you up to date on how they feel about the situation.

8:40 p.m.

"Whereas Grey and Bruce counties are being served from the Highway 401 system by only the outdated Highways 4, 6 and 10; and whereas there appear to be no plans whatever for a four-lane highway to Grey and Bruce counties; and whereas a four-lane highway would greatly assist the expansion of industry and tourism in Grey and Bruce counties; and whereas recent surveys indicate that travel on a four-lane highway is much safer; and

"Whereas a four-lane system would provide Grey and Bruce residents with much-improved access to Toronto International Airport; and

whereas Ontario Hydro was diligent in obtaining hydro transmission corridors through Grey and Bruce counties to provide electrical energy to our southern neighbours;

"Therefore be it resolved that the council of the town of Hanover enlists the support of all the Grey and Bruce municipal councils and county councils and all other interested associations to petition the Ontario Ministry of Transportation and Communications to begin immediately to plan for the construction of a four-lane highway to service Grey and Bruce counties within the next 10 years." It is signed by Mayor George Bunting.

I think they have given you quite a leeway, saying "the next 10 years." Although I realize you have a five-year plan set up and probably they are fairly realistic in saying 10 years, I expect it would have to be started on immediately for that to happen.

**Mr. Gilbert:** Are you talking about Highway 6?

**Mr. McKessock:** They are talking about Highways 6 and 10. They are the only highways we have to the airport.

**Hon. Mr. Snow:** That is four lanes; you have two lanes on Highway 10 and two lanes on Highway 6)

**Mr. McKessock:** They are an awful way apart and they are going both ways. We could send them down 10 and bring them up 6, or something like that.

Anyway, as you know, the northeastern part of Grey has been designated a four-seasons recreational area. We get a steady stream of traffic to our area on the weekends because of our tourist interest. We are on the line for people coming from the cities to reach the Chi-Cheemaun. If you travel Highway 6 or 10 on a Friday night, you will notice—

**Hon. Mr. Snow:** I travel them quite often.

**Mr. McKessock:** —the inadequate highways we have and the danger for the tourists. You probably noticed, too, that there is always somebody trying to pass.

On a Friday night, when that traffic is miles long, there is always somebody trying to inch out and pass. As you know, our area is anything but level, so they are passing on hills and everything else. The fact that the driver or the passer survives is not the result of good management or good roads, it is a lot of good luck. A four-lane highway would cure this problem and give our tourists a much faster, safer and more enjoyable trip.

Besides that, we would like to have more industry in our area. I think it is in the best interest of the province that industry be dispersed around the province. We want to keep the rural municipalities strong so that everyone does not congregate in the large cities and add further to the congestion of the roads around Toronto. If we are going to get even light industry to come to our area, they want a good, fast road to the international airport, for one thing, and to Toronto and Hamilton and other areas. We must have a four-lane highway to achieve that.

The Hanover resolution points out there is no problem getting the hydro corridor through our area to help the people in the south. Maybe now, just to return the favour, we could get a highway corridor, a four-lane highway from the south to service the people in the north. When I talk about north, I am talking about Grey and Bruce counties.

**Hon. Mr. Snow:** I am sure you are. You are not talking about Manitoulin or—

**Mr. McKessock:** We are on the road to Manitoulin, as far as the Chi-Cheemaun is concerned, so we need a route up there to get those tourists through to the Chi-Cheemaun as well.

I would like to hear your comments on the Hanover resolution and the proposal of a four-lane highway to service Grey and Bruce counties.

**Hon. Mr. Snow:** As I told the delegation from Grey and Bruce counties when we met to discuss a four-lane highway two or three years ago, all I can say is we will meet their transportation needs. I fully believe we are doing that.

**Mr. McKessock:** According to the Hanover resolution that is not so.

**Hon. Mr. Snow:** That might be their opinion, but basically a two-lane highway is capable of handling up to 10,000 vehicles per day. I had the figures here a minute ago. The highest volume I can find on Highway 6, and this is Highways 6 and 10 combined, from Chatsworth northerly to Owen Sound, is about 6,150 to 6,300 cars per day. Between Chatsworth and Owen Sound is an area that is a candidate for four-laning. That is where Highways 10 and 6 come together.

There is another section that is worse than that and which is already on our schedule for four-laning. That is Highway 6 running out of Owen Sound up over the hill past the Big Mac shop on the left over to Highway 79, is it?

**Mr. Gilbert:** It is Highway 70.

**Hon. Mr. Snow:** Highway 70, that runs up to Wiarton and so on. That area is up to the need for four-laning right now. It is up to 10,000 cars per day. We have a section of that scheduled for four-laning. In fact, it has been scheduled for a number of years, but it has to be a co-operative effort with the city of Owen Sound, as I understand it. They have some sewer works and watermains and things they want to put in there. We cannot build the highway until they have finished.

We have had it on our schedule for four or five years but it has never been finalized. That is an area that definitely needs four-laning because it is up in the 10,000-car category.

As I say, in the Chatsworth north area we are up to about 6,000. I think probably that section will qualify for four-laning in the not too distant future.

We have another section on Highway 10 from Primrose over to Shelburne where Highways 89, 10 and 24 all sort of come together. We are scheduling a short section there for reconstruction in the next two or three years and we are planning on four-laning. We will four-lane sections where the traffic volume warrants, but I have to tell you there is no way we can substantiate putting in four-lane highways where we have 3,000, 4,000 or 5,000 vehicles per day.

**Mr. McKessock:** How much do you think that traffic would increase if there was a four-lane highway put in?

**Hon. Mr. Snow:** None.

**Mr. McKessock:** You think it would not?

**Hon. Mr. Snow:** No, the traffic is being handled now on highways that have 3,000 or 4,000 cars a day. Trafalgar Road runs past my door where I live. That is a county road and it has 10,000 to 11,000 cars a day on that road right now. We do not have any problem. I do not have any trouble getting home at night or getting here in the morning. We are up to 10,000 cars a day, which really qualifies for four lanes.

**Mr. McKessock:** I imagine you are probably travelling early in the morning and late at night like I do, and there are not any problems at those times.

**Hon. Mr. Snow:** My wife travels on it during the day. My kids go to work later than I do.

**Mr. Gilbert:** Those passing lanes, or truck climbing lanes, that were put in—

**Mr. McKessock:** That is a help.

**Mr. Gilbert:** —certainly are a help. As the minister is saying, building these short sections

on both Highways 6 and 10, really those are the only troublesome areas in driving. It drops all the way from 8,900 to 3,000 in that one area he is talking about.

**Hon. Mr. Snow:** There are a few little agitating spots. I drive this road too. If you are coming through Durham, Mount Forest and what not—

**Mr. McKessock:** On a Friday night, you get them all lined up.

**Hon. Mr. Snow:** Or on a Sunday afternoon. Some of those situations, if we had control of them, could be improved some way. I have come down through those towns and you have a signalled intersection downtown that is a timed intersection. The damn thing sits there for what seems like five minutes with a red light and one car going through in the other direction and 1,000 cars lined up to go on Highway 6. Some of those municipalities could do quite a bit themselves by adjusting their lights. They may have to adjust them to a different timing on Sunday than the rest of the week so they could let a lot of traffic through there.

8:50 p.m.

**Mr. McKessock:** When I talk about a four-lane highway increasing the load on the highway, I am referring to the Hanover resolution where it talks about it bringing more industry in as well. This traffic will not come until there is proper access. I have heard industries talking about coming to Owen Sound and saying there is just not a fast enough route to the airport for them to come there.

**Hon. Mr. Snow:** Which airport? Owen Sound or Wiarton or Toronto?

**Mr. McKessock:** The international airport. You might as well drive halfway to Toronto as go to Wiarton.

**Mr. Gilbert:** A lot of them make it very fast.

**Mr. McKessock:** They do, but we also talked about the danger on these roads. You do not make it and stay within the speed limit.

**Hon. Mr. Snow:** I certainly do not get any feedback from industries saying they would like to move to Owen Sound but the transportation facilities are not available for them.

**Mr. McKessock:** Owen Sound could give you that information.

**Hon. Mr. Snow:** Let them give it to me then. I have not got it.

**Mr. McKessock:** Of course, this is what Hanover is talking about too. To entice industry

to the area, it has to have better transportation and communications.

**Hon. Mr. Snow:** I have to meet transportation needs where transportation is needed now. We have many areas where we are far beyond the breakdown point in handling the traffic. How can you, even in your retrospect of the situation, expect us to build a four-lane highway where there are 3,000 cars a day travelling?

**Mr. McKessock:** I guess it is a question of which comes first, the chicken or the egg. I mentioned here if we had more industry—

**Hon. Mr. Snow:** When the egg gets there, the chicken will follow, do not worry.

**Mr. McKessock:** Right now the egg is in Toronto and the chickens have all come down here, which has given you your traffic problems.

**Hon. Mr. Snow:** I never called you a chicken.

**Mr. Gilbert:** You could double that and still you would be—

**Hon. Mr. Snow:** Triple it.

**Mr. McKessock:** Double what?

**Mr. Gilbert:** You could double the traffic volume right now and you would still have lots of room.

**Mr. McKessock:** Up in our area?

**Hon. Mr. Snow:** Yes. We have repaved Highway 6 from end to end. It is a beautiful road.

**Mr. McKessock:** It is a beautiful road, but it is not quite wide enough.

**Hon. Mr. Snow:** No, that is not right.

**Mr. Gilbert:** There are certain sections, yes, but not all of them.

**Hon. Mr. Snow:** I have already mentioned the sections, and as they need improvement we will meet that need.

**Mr. McKessock:** You have to run the cars over it first. You have to convince industries to come up there and say, "As soon as you get enough people in this area and enough cars are going to run over that road, then MTC will build the road."

**Hon. Mr. Snow:** That is right. That is the way it is everywhere else.

**Mr. McKessock:** Is that the way it is done up north?

**Mr. Laughren:** I am next on the list.

**Mr. Chairman:** We will find out about that in a moment.

**Hon. Mr. Snow:** That is the way it is everywhere else.

**Mr. McKessock:** What year will the stretch between Chatsworth and Owen Sound be scheduled for four-laning?

**Hon. Mr. Snow:** I am not sure we have it scheduled exactly. It is not in our five-year program. That section, as I told you, was only at 6,000 vehicles a day.

**Mr. McKessock:** But those two highways come together there, so you are getting the brunt of both highways.

**Hon. Mr. Snow:** I am very aware of that. That is the main street to Griffith Island. I know exactly where it is.

**Mr. McKessock:** I am surprised you have not had it widened.

**Mr. Chairman:** Okay, Mr. McKessock, may we move on?

**Mr. McKessock:** Do you think the traffic would be increased on the Chi-Cheemaun route if there was a better highway? People say, "Look, that is a poor road up there." If it was a good four-lane highway, they might—

**Mr. Gilbert:** All the way to Tobermory?

**Hon. Mr. Snow:** Let's be reasonable.

**Mr. McKessock:** You have to travel Highways 6 or 10 coming up.

**Hon. Mr. Snow:** I have driven that road too. If you see a car ahead of you or a car behind you, you are lucky.

**Mr. McKessock:** But I am talking about from Toronto to Owen Sound. That is part of the route.

**Hon. Mr. Snow:** I am talking about from Owen Sound to Tobermory or from Wiarton to Tobermory. That road has been rebuilt; it has all been resurfaced over the last couple of years.

**Mr. McKessock:** I am just saying that Highways 6 and 10 are part of that route to get to Tobermory.

**Hon. Mr. Snow:** Yes, they are. I have the traffic figures and what traffic is on them. Other than those two or three little pressure points which we are dealing with—

**Mr. Chairman:** Can we move on, Mr. McKessock, because there are only about six minutes left? If Mr. Laughren will talk very quickly, he will probably get an answer. We are going to cut off at nine o'clock and move on to another vote.

**Mr. Laughren:** I have a couple of points. First, I should pay tribute to the minister. The ultimate putdown I ever had in the Ontario Legislature was by this minister.

He may not remember it, but I was arguing for a wider Highway 144, which runs from Sudbury to Timmins. It was either two or four feet—I think two feet—narrower than standard highways. I was arguing that it should be wider. I ended up my plea with a ringing question, "Will you add two feet to Highway 144?" Jim Snow stood up and said, "To the width or the length?" I did not know where to go.

**Hon. Mr. Snow:** That reminds me of the time Eric Cunningham asked me why I was going to build a station at Oriole on the GO-train line, and I said, "To let the passengers get off."

**Mr. Cunningham:** I did not have a supplementary either.

**Mr. Laughren:** I have two criticisms of the ministry. There are more but I do not have the time. One is winter maintenance.

I very strongly believe your winter maintenance is inadequate, that you have two standards of winter maintenance in this province and they are based on the amount of traffic on the roads. If the road has a low volume of traffic, you have a different quality of winter maintenance on it.

I understand it, but I disagree with it, because you put people, whom you cannot categorize, into two classes of personal safety. That is what is wrong.

If you are talking about building a four-lane highway versus a two-lane highway, I understand your argument very well on volume. However, we part company when you apply that same standard to the quality of maintenance, as you do to the road you build. I think that is wrong because you are talking about the safety of the people who drive on the province's highways.

An example of it is the lengthening of the patrols. We talked about it years ago in the Parry Sound—

**Hon. Mr. Snow:** I do not agree with you there.

**Mr. Laughren:** I do not expect you to agree with me, but you cannot—

**Hon. Mr. Snow:** A different length of patrol was needed 20 or 30 years ago when those patrols were set up with the type of equipment we had then, the type of snowplough trucks, the type of graders, the type of sanders—

**Mr. Laughren:** They do not go any faster now.

**Hon. Mr. Snow:** —compared to the modern equipment we have today.

**Mr. Laughren:** That is nonsense.

**Hon. Mr. Snow:** It is not nonsense at all.

**Mr. Laughren:** It is not nonsense because they do not go any faster; they cannot go any faster than they could go 20 years ago when they were looking after a road.

**Hon. Mr. Snow:** A tandem sander truck carries 20 tons of sand instead of seven tons of sand.

**Mr. Laughren:** And if they have twice as far to go, it has nothing to do with how much—that is nonsense and you know it.

**Hon. Mr. Snow:** Now, Floyd—

**Mr. Laughren:** No, I am serious.

**Hon. Mr. Snow:** I always thought you were a reasonable person.

**Mr. Laughren:** I am reasonable. I understand the volume argument and I do not quarrel with you on it. Where we part company is on the maintenance argument, because you have two levels of maintenance.

I would guarantee you that the people in southern Ontario—and I am not a parochial northerner—would not tolerate the winter conditions on the roads we have up north and the maintenance you give them. They would not, I guarantee it.

**Mr. Gilbert:** The level of maintenance really does not have a bearing on the length of patrol.

**Mr. Laughren:** It is one of the aspects.

**Mr. Gilbert:** No. You could put twice as much equipment on there under the same patrol supervisor. Really, the amount of equipment, the number of sanders and the type of equipment are the criteria for winter maintenance. One could put a grader on and it could not cover as much road as a truck. Those are the kinds of things, not the length.

9 p.m.

Back a number of years ago we had the same length of mileage for patrol as we do today. Yes, we went through a period where we shortened them and things like that, but we found that as far as the standard of maintenance is concerned, it depended on the amount of equipment, the amount of chemical one put on, the amount of sand and things like that.

Getting back to your argument about the amount of traffic and that one should look at it the same way, a number of years ago we used to have an awful time trying to clean Highway 400 because there was not enough traffic on it. You will recall those days. One could pour all the chemicals and everything else to take off the ice and snow, but there was not enough traffic on the passing lane, and all we could ever really

bare was the driving lane. Those are the kinds of things.

I do not agree with you that just because we have lengthened some of those patrols, it has any bearing on it.

**Mr. Laughren:** I do not expect you to engage in an exercise of mea culpa, but you might some day check with the member for Parry Sound (Mr. Eves) as well.

**Mr. Eves:** If you would hurry up, he would have a chance.

**Mr. Laughren:** As I have driven through that area, I have talked to your people and to the Ontario Provincial Police in that area. They both tell me that since the length of that patrol has increased there is worse maintenance. Let me go on to the final point because I know we are rushed for time.

**Hon. Mr. Snow:** We disagree on that.

**Mr. Laughren:** We disagree, but I am telling you it is a fact.

**Hon. Mr. Snow:** We have upgraded the patrols and improved the facilities. We have built salt domes, all of those things. We are much better equipped to handle maintenance today than we were five, 10, 15 or 20 years ago.

**Mr. Laughren:** Quit using up my time.

**Hon. Mr. Snow:** I have as much as right to this time as you do. I get paid the same price as you do.

**Mr. Laughren:** There is a gap in your ministry's policies.

**Hon. Mr. Snow:** No, we do not have any gaps.

**Mr. Laughren:** Then you had better correct some of your officials who are telling me this. I think you will agree with this. The gap is when there is a situation where a road is used by people from outside the area and where the people who pay the taxes maintain it. Picture a situation where there is a small municipality—I am thinking of the north now.

**Hon. Mr. Snow:** Are you talking about provincial roads or local roads?

**Mr. Laughren:** I am thinking of a local road, a municipal road. I understand the grant system and all that, but a municipal road in a small municipality may lead to timber limits, to a mine, to aggregate or to gravel pits, and there is an enormous amount of traffic on it. There may be only 500, 600 or 1,000 people living in the municipality that is responsible for that road.

**Hon. Mr. Snow:** Or 100.

**Mr. Laughren:** Yes. They simply do not have the tax base to do what is necessary to maintain that road with those heavy trucks and so forth. If you will be fair, and if you will get off your partisan chair for a moment—

**Hon. Mr. Snow:** I am not being partisan.

**Mr. Piché:** That is an unacceptable statement.

**Mr. Laughren:** You will admit there is a gap there because you do not have a policy that looks after that inequity.

**Hon. Mr. Snow:** I would like to know what kind of road you are talking about. Are you talking about a municipal road?

**Mr. Laughren:** Ask John Lane. I think he would agree with me.

**Hon. Mr. Snow:** Are you talking about a municipal road, a local roads board or a statute of labour board?

**Mr. Laughren:** It could be all of those.

**Mr. Lane:** A combination of all of them.

**Mr. Laughren:** Any one of those. Exactly. John knows what I am talking about.

**Mr. Lane:** What he is talking about is there is a roads board, a small town and a township, and the main user of the road is E. B. Eddy making 36 trips a day over it with big heavy trucks. There are three levels of subsidy because the roads board and the township get a different level than the town does, yet the traffic all comes from a source that is without, as in Espanola where—

**Mr. Laughren:** It is a gap in ministry policy.

**Mr. Lane:** That is what he is talking about. That is the problem really, the three levels of subsidy and the traffic all coming from outside.

**Mr. Laughren:** It is a gap in policy.

**Mr. Chairman:** We can let the minister respond and then we must move on and complete this vote.

**Mr. Laughren:** Your officials understand. They appreciate that in the Sudbury area. You might check with them. They will agree there is a gap in policy there.

**Hon. Mr. Snow:** I do not know how you mean all of those policies. If it is a local roads board and, we have a formula for subsidizing it.

**Mr. Laughren:** I understand that.

**Hon. Mr. Snow:** If it is a rural township, we have a needs resources subsidy plan that can pay—

**Mr. Laughren:** Let me give the minister a small example of the numbers we are talking

about. In a situation where there is a local roads board that might spend several thousands of dollars a year or maybe even \$10,000, where there is a situation where they have to spend in excess of \$600,000 to make that road available for the heavy E. B. Eddy Forest Products Ltd. trucks John Lane was talking about, you and I know there is no way that local roads board—in this case it is in an unorganized community and that is why it is a local roads board, but even it was a formal municipality—

**Hon. Mr. Snow:** There are the northern Ontario resources transportation committee and all sorts of things to deal with those kinds of situations.

**Mr. Laughren:** That is not the answer with that kind of money. How much has the NORT committee, John, in total? Is it \$4 million?

**Mr. Lane:** It is \$612,000.

**Mr. Laughren:** No. The NORT committee for all of northern Ontario has \$4.5 million to spend in a whole year.

**Mr. Lane:** I thought you were asking how much this was going to cost.

**Mr. Laughren:** That is the point I am trying to make. I am not trying to get you to make a commitment here and now. I am saying there is a gap.

**Hon. Mr. Snow:** The municipalities in your riding write me letters saying how generous we have been. Then you come down here—

**Mr. Laughren:** But this is not a municipality. Would you stop being so defensive?

**Hon. Mr. Snow:** I am not being defensive.

**Mr. Laughren:** I am not asking you for a commitment now. I am saying to you that you have a gap in your policy.

**Hon. Mr. Snow:** You should have seen the letter I got from Chapleau the other day.

**Mr. Laughren:** I am about to swear. There is a gap in your policy.

**Hon. Mr. Snow:** They are so happy with the way we built their new road in Chapleau.

**Mr. Laughren:** I know it. You should see the bridge there. I could tell you stories about that some day, but I will not.

**Hon. Mr. Snow:** I used to go fishing up there, but you have not invited me lately.

**Mr. Laughren:** Do you not understand—

**Hon. Mr. Snow:** I will even bring my critics along with me if you invite me.

**Mr. Samis:** He will not even take us to Chicago, much less Chapeau.

**Mr. Cunningham:** Never mind fishing in northern Ontario. What happened to Switzerland?

**Mr. Laughren:** Could I ask you to talk to some people in your ministry outside of Downsview about this gap in policy?

**Mr. Chairman:** Yes or no.

**Hon. Mr. Snow:** Yes.

**Mr. Chairman:** I have a series of supplementaries which we are going to have to pick up at the end here.

**Mr. Piché:** Am I going to be on that list if there is time left? I am on your list, am I not?

**Mr. Chairman:** Yes, you are. We agreed that we were going to complete this at nine o'clock.

We have the chairman of the Ontario Highway Transport Board here at the present time. Mr. Marrs, would you come up to the table for any direct questions to the board chairman?

**Mr. McKessock:** While they are coming up, in which month do you do the traffic count on Highway 6 and Highway 10? When do you do it?

**Hon. Mr. Snow:** It is an average count for the year.

**Mr. McKessock:** You are not counting every day, are you?

**Hon. Mr. Snow:** No.

**Mr. McKessock:** When do you count?

**Hon. Mr. Snow:** There are traffic counters out there.

**Mr. McKessock:** Yes, but when, what month, what day of the week?

**Mr. Gilbert:** We have permanent traffic counters in a number of locations.

**Mr. Chairman:** I am sorry, Mr. McKessock.

**Hon. Mr. Snow:** The figures I am giving you are the annual average daily traffic figures.

**Mr. McKessock:** I know what you are giving me, but I want to know when you take those figures.

**Mr. Piché:** Do not tell him because he will get all his friends to go at that time.

**Mr. McKessock:** I want to know whether you are taking them Friday afternoon when the traffic is so heavy.

**Hon. Mr. Snow:** That is all part of the average.

**Mr. Gilbert:** We have permanent traffic counters. Where we do not have those, we then take counts on our other highways and relate them back to our permanent traffic counters and

come up with the AADT the minister is talking about, the annual average daily traffic. It comes out really the same way. It is very accurate. If you want to go out and check these —

**Mr. McKessock:** I know there are an awful lot of cars a day there.

9:10 p.m.

**Hon. Mr. Snow:** Mr. Chairman, I am pleased to introduce Mr. George Marrs, chairman of the Ontario Highway Transport Board, who is here with us this evening. Mr. Marrs is available for any questions any members of the committee may have relating to the Ontario Highway Transport Board.

**Mr. Chairman:** Before carrying on with this, I would like to finish off vote 2704.

Vote 2704 agreed to.

**Mr. Chairman:** We have vote 2703, which we are going to start right now, and votes 2706, 2707, 2708 and 2709.

**Hon. Mr. Snow:** And the supplementaries.

**Mr. Chairman:** And the supplementaries, sorry, yes.

On vote 2703, safety and regulation program:

**Mr. Cunningham:** I would like the chairman of the board, if he would, to bring us up to date with the ongoing litany, the cause of the lawyers' pension retirement fund, that being the Quinn case which has been going on now for 10 years. Would you bring me up to date on that?

**Mr. Marrs:** Yes, it will be proceeded with, as far as we know, on February 6.

**Mr. Cunningham:** What is "it"?

**Mr. Marrs:** The continuation of the transfer from Beaney that was referred to by the Supreme Court of Canada decision.

**Mr. Cunningham:** When did Mr. Beaney die?

**Mr. Marrs:** I do not know. I think he predeceased the original hearing. Beaney did not own the licence himself at the time of the transfer. It was Moteck Corp., as I recall.

**Mr. Cunningham:** How has this matter found its way back to your board?

**Mr. Marrs:** The Supreme Court of Canada recommended that it be referred back to the board on a continuation basis to deal with the finances of the purchaser at a certain period of time, which we have extended up to and included in the present date.

Mr. Cunningham, as I think you will appreciate, I am in a difficult position on this one because I am the only remaining person who is on the transfer.

**Mr. Cunningham:** I will be very gentle with you, sir, because I understand that if you were to pass away before this is complete, the whole thing would be, as my lawyer friends say, *functus*. I stress the "n" in *functus*. I have a cold, so I am going to be very careful here. We would not want something like this to—

**Mr. Marrs:** Not tonight, anyway.

**Mr. Cunningham:** No, of course not. The last thing we want is this whole event to be *functus*. Then we would have to have a hearing, as my lawyer friends would say, *de novo*. That could culminate in another Supreme Court of Ontario action. Then we might even find our way to the Supreme Court of Canada. I hope we would not be represented by my good friend the Attorney General (Mr. McMurtry), who has commonly been beaten 9-0, as I believe we were on this occasion. Are there nine at the federal level? Roy thinks they should be elected.

The nine judges here dressed you people down a bit—not you, of course, but the ministry—I am sorry, the Attorney General's department. We now find ourselves 10 years after the fact with this incredibly complex mess.

I am not here to carry the can for one Thomas Quinn at all, but I really must question the extent to which we are putting this guy through the paces and the amount of your time and your board's time, the ministry's time, the time of all these high-priced lawyers and all these guys who are hanging around the transport board collecting what I would call usurious fees on this issue. It is incomprehensible to me that this application should be so complicated.

You have read the Supreme Court decision, I am sure.

**Mr. Marrs:** Yes, sir.

**Mr. Cunningham:** I looked at page 7 of that and I will just quote it for the record. In referring to the minister's reasons set out in his decision of May 20, 1977, the Chief Justice, I believe, says: "Two things are apparent from these reasons. The minister takes his initial point of departure from Mr. Marrs's report of June 29, 1973, but he also appears to review the application in the situation existing on May 20, 1977, when he says: '... it is doubtful that the operation on which the transfer is sought does in fact exist. Granted that it does exist...' and he goes on to lay the burden on the applicant to show financial stability to assume the obligations of the agreement it seeks to enter into and concludes that this was not done."

The Chief Justice then says: "This aspect of the minister's reasons falls short of comprehension. If the appellant has the burden of showing financial stability respecting an operation existing at the time of the minister's reasons, it cannot discharge that burden unless given an opportunity at least to make submissions to the minister. However, the minister refused to entertain any further submissions, thus putting the appellant in an impossible position, in a 'catch-22' position to use a more common expression.

"There is another troubling matter in this case," he continues. "Three and one half months before the Marrs report, the Shoniker decision came down approving a temporary licence. There is no doubt that Beaney was in difficult financial straits when the temporary licence application was considered and finally granted on May 6, 1973. There was no suggestion, however, that Mr. Beaney had, on the minister's assertion in pursuance of the Marrs report, for all practical purposes gone out of service. The Shoniker report spoke of the public advantage of the continuation of the Beaney extraprovincial licence. Indeed, the Shoniker report stated that if the temporary licence was refused, the Beaney authority could become dormant... I cannot reconcile this statement on a key issue with what the minister, following Marrs, said in his reasons."

I can see that lawyers, particularly the lawyers who are funded very generously by people who have licences and want to protect them, and lawyers who are making careers at the Attorney General's office or within this ministry—I think some are even within the precincts—would like to get into some great long academic dissertation about this. But the people who are left out are the public. They are paying for your operation. They are paying for the ministry time.

I would think that after 10 years someone would have said: "Cannot we extricate ourselves from this awful, complicated legal mess? What would be the right thing to do? What would be the easiest thing to do? What would be the proper thing to do, given this controversy?" I am not going to go back into the long litany of accusations, some of which I think are unworthy of repetition; at least I would like to hope that they are.

I read the act before it was amended. We did not even have temporary licences, but they were being granted by the great white father up there. Maybe fairness and equity would dictate that after 10 years of fooling around on this we

should just give the guy his licence as we would with other applicants. Do you have a comment?

**Mr. Marrs:** No. As I say, we have had one hearing to establish the ground rules for the continuation. When we established the ground rules, counsel for the applicant asked for an adjournment until some time in the first of the year and we arrived at a common date.

**Mr. Cunningham:** Do you have any estimate, maybe just a guess for us, as to how much public money has been spent at all levels on this?

**Mr. Marrs:** In so far as the courts are concerned, I could not even begin to guess. But regarding the applications before us, there was just the one; I am not talking about the temporary licence application but about the application for transfer, which I believe may have involved two days. We also had preliminary on this one, plus the date on February 6.

**Mr. Cunningham:** I would like to raise another matter with you.

**Hon. Mr. Snow:** Before you move on, it seems to me that for quite a number of years we have done these estimates where you have been saying to the incumbent chairman of the board and myself, "When are you going to do something to put this guy clean out of business?"

**Mr. Cunningham:** You either put him out of business or you deal with him. You have been fooling around for 10 years. The Supreme Court of Canada—

**Hon. Mr. Snow:** I have not been fooling around with him; the courts have been.

**Mr. Cunningham:** I do not think there is due process in this, if you want my honest opinion.  
9:20 p.m.

**Hon. Mr. Snow:** I do not appoint the Supreme Court judges.

**Mr. Cunningham:** You have the right to refer this matter to the board. Why was it not dealt with expeditiously? How is it we find ourselves fooling around with this thing for 10 years?

**Hon. Mr. Snow:** It has been in the process of going through the courts.

**Mr. Piché:** For 10 years?

**Mr. Cunningham:** Thank you, René.

**Hon. Mr. Snow:** I have been here for eight years. It was on my table when I became minister eight years, one month and 10 days ago.  
Interjections.

**Mr. Chairman:** Let's move on.

**Mr. Cunningham:** I want to raise a matter

with you in terms of consistency of decisions. One of your responsibilities is to reflect on provincial policy. We have had a lot of discussions on this in the past and I have had these same kinds of discussions with your predecessor and his predecessor about how policy is conveyed from the ministry to your operation.

I must say to you that every now and then, particularly when I read decisions such as the one I did this afternoon, I think some of your people are operating in a bit of a vacuum up there. I do not see the kind of consistency in direction in administration that I would like to see.

My friend and colleague the member for Kitchener (Mr. Breithaupt) asked me to raise a matter that a constituent of his raised with him. It is the Dawson Equipment application, which you may be familiar with. I read the file today and I looked at the application. I am advised on this one that the people who made their application were encouraged to make their application by ministry officials. They did so.

The pivotal issue here, as always, is public necessity and convenience—not the lawyers' pension fund or some Supreme Court agenda, but public convenience and necessity.

I read the decision rendered by Messrs. Duncan and Canning. Are either of those gentlemen lawyers?

**Mr. Marrs:** Mr. Duncan is, yes.

**Mr. Cunningham:** Reading this decision, I think he wishes he were a judge because all he talks about in here is the illegal operation that he himself, judge and jury, has determined. There is no issue of fitness; no discussion of the merits of the guy's case. He just talks about how the operation they are running now appears to be at variance with provincial statutes, according to him. In fact, in the transcripts he says: "I won't call it an illegal arrangement, but I suspect it probably is, as I suspect that is why he is here."

Is this the kind of inducement we want to offer people to come forward and participate in an open regulatory process?

**Mr. Marrs:** We certainly encourage them to come, and we try to be as fair as possible. As I say, I know about Dawson, although I am not familiar with the reasons for the decision.

**Mr. Cunningham:** He continues here, saying "I don't think it would be objectionable in this sense that what is probably an illegal operation . . ." He says it again. Does it not bother you that he would make those comments? They were

never convicted in court. Nobody ever charged them.

**Mr. Marrs:** I do not know that. Does it say in the reasons that he was not charged?

**Mr. Cunningham:** They have never been charged. They have never been convicted, according to their legal counsel.

**Hon. Mr. Snow:** Mr. Cunningham, when an application such as this comes before the board, my ministry officials are called as witnesses to indicate the number of charges and convictions that have been registered against a particular applicant. That is where they get the information as to the illegality or not.

**Mr. Cunningham:** As I say, in this case—

**Hon. Mr. Snow:** In this case, I do not know, but that is quite often the case where my ministry officials are subpoenaed as witnesses. Maybe Mr. Larratt-Smith could add to this discussion.

**Mr. Larratt-Smith:** The general policy is the public need is the first test. If they are operating illegally, they may take that into consideration.

**Mr. Cunningham:** Then I would submit to you, sir, that should be the only test. I do not want to see a system in this province—in fact, I've got in a terrible mess before because it was perceived that one could not get justice at that board, and you know far more than I will ever know about the hanky-panky that went on in that place for many years. It was perceived that one could not get justice during a certain period of time. People were reticent to make applications. They were reticent to do a lot of things. I am glad to say that situation seems to have changed generally.

However, we have a situation now where we're setting that mindset again, because a person's perceived conduct appears to be the most relevant or germane issue when it is not relevant at all. The thing that is most relevant is the public, public necessity and—

**Mr. Marrs:** But the fitness of the applicant is part of the consideration.

**Mr. Cunningham:** I think the key thing would be whether somebody is ready, willing and able to provide the service. That should be the key thing, not whether somebody who is sitting at 11 Bloor Street or wherever happens to think in his own mind that he has determined whether or not the operation is viable. That is not relevant.

**Mr. Marrs:** For those two members sitting,

the evidence would indicate there was illegal operation.

**Mr. Cunningham:** That is not relevant.

**Hon. Mr. Snow:** Do you think evidence that one has carried on an illegal operation for a period of years should be evidence of public necessity and convenience?

**Mr. Cunningham:** No. I think the individual makes his application, comes before you, tells you where he wants to serve, what points, what kind of licence he wants, and goes through the customary support preparation by way of bringing in the public. This regulation system is not going to work if we do it any other way. What you are doing with this is inviting the same kind of mindset we had in the early 1970s and mid-1970s, when people would not make applications. I was part of that select committee and I would like to think that in many ways I have caused it.

I feel very badly abused today reading a decision that is a three-pager and does not deal in any way whatsoever with the merits of the guy's application. All it does is chastise him for running what Mr. Duncan very generously terms an illegal operation. That is not Mr. Duncan's job. That is the court's job. That is a magistrate's job or a provincial court judge's function. It is not Mr. Duncan's function. Mr. Duncan's function is to deal with this man's application.

**Mr. Marrs:** But surely the fitness of the applicant has to be part of the consideration of public necessity and convenience. What you are saying is a fellow who goes out and gets some support and then endeavours to comply with the act and regulations should be treated the same as a person who—

**Mr. Cunningham:** Okay. I am glad you asked. Let us talk about the difference. "John Strong, age 39, is a registered industrial accountant and brings to the organization his accounting management and administrator abilities.

"His work background includes such organizations as the Bank of Commerce, Budd Automotive . . .

"As well as belonging to work-related groups such as the Kitchener-Waterloo Traffic Club and Society of Management Accountants, he has participated in outside activities such as the Kinsmen Club, Junior Achievement, Boy Scouts, etc. He is, as well, a member of the Progressive Conservative Party of Canada." How more fit could he be? That is Mr. Strong.

Mr. Sutton is 38 and comes from a traffic background.

**Mr. Marrs:** Are these officers of the applicant?

**Mr. Cunningham:** These are the principals in the company. They have made a very interesting submission. Their application was supported by Budd Canada Inc., the Budd Co., Lear Siegler Industries Ltd., Copeland Corp., Butler Metal Products, Tecumseh Products of Canada, Associated Mills Inc., International Malleable Co. Ltd., Lexcan Industrial Supplies Ltd., Sertapak Inc., Custom Trim Ltd.

In one case, as he writes to Mr. Breithaupt, they both say: "Mr. Claypool of the Copeland Corp. gave evidence that, if they had not been successful in obtaining good rates and service, a contract between them and Butler Metal Products of Cambridge worth \$12 million would be in jeopardy . . .

"We felt that a strong case of 'proving public necessity and convenience' had been made." They enclose a copy of the reasons, etc.

In fact, he mentions here that Mr. Duncan twice has referred to the applicant as running an illegal operation. That is not Mr. Duncan's job.

If I seem to be a little bit more than annoyed, part of the problem is that I have this awful cold, but I really have had it up to here with this kind of nonsense from some of these people.

9:30 p.m.

**Mr. Marrs:** They certainly are concerned about the applicant coming in. I do not know about all these people they have been leasing equipment to, with drivers and that; I cannot comment. I assume that must be the reason they turned them down—not because they thought it was illegal, but the evidence they brought was based on operations historically illegal, up to and including recent times.

**Mr. Cunningham:** Then conceivably his application would have been better if he has just said: "We have a line of credit. We are prepared to drive these trucks. We have these customers who are ready to go with us. By the way, I am a director of the Boy Scouts of Canada and a member of the Progressive Conservative Party of Canada and Ontario. We want to do business."

**Mr. Marrs:** He certainly needed support. All I am saying is they would take into consideration whether the support was brought there by a continuing illegal operation as against an operator coming in with clean hands and supporting the applicant.

**Mr. Cunningham:** There you go again: "with

clean hands." Who are you to say? I feel this policy emanates from the top.

**Mr. Marrs:** If the evidence was not before the board, they would not say that he was carrying on an illegal operation.

**Mr. Cunningham:** There is no conviction. Who are they to determine whether it is legal or illegal?

**Mr. Marrs:** As I say, I do not know there is no conviction. I would be—

**Mr. Cunningham:** I am telling you there is not. The public record will show that there is not. So who are you, who is Mr. Duncan, who are any of the rest of them to say it is illegal?

**Mr. Marrs:** If they have not been convicted, I would be surprised. I would like to take a look at that, but I would be surprised if there had not been any convictions when they arrived at those conclusions.

**Mr. Cunningham:** They just concluded, based on their knowledge of the act, that they think this leasing arrangement is less than holy. It is their right to think that way if that is the way they feel.

**Mr. Marrs:** I agree with you, if that is just a thought, but if it was established at the hearing that the operation was illegal, that is something different. That would go to the fitness of the applicant. I am sure that is how they would look at it. Two of them are pretty solid people.

**Mr. Cunningham:** We have had many applications which have gone through that board. I think of a parcel delivery service which looked bad right from the start, and probably never should have had a licence. They had very good legal counsel from Brampton. They went downhill faster than Steve Podborski.

**Mr. Riddell:** Also connected with the Progressive Conservatives.

**Mr. Cunningham:** I do not know what curriculum vitae said. There are all sorts of them.

I do not think it is your function necessarily sit in judgement of these people. As a matter of policy, I just think we are dead wrong in setting up a system that says, "If you have ever been convicted, or if you have any kind of traffic record, you do not dare come here." We have thoroughly different standards in Ontario where we judge the fitness of applicants for the Ontario Municipal Board, or the fitness of people to take over the administrative responsibilities at a high-technology centre in St. Catharines.

It is not our function in life to cast judgment

on these folks. I do not know what is going to happen on this application. They have one of two or three things they can do. They can appeal to the cabinet, most certainly, but I do not know how interested they will be in that. Or they can seek leave to appeal in the courts; although, having looked at it, I do not know what grounds they could use, unless perhaps they could argue there is no justice or equity in it.

They attached for me here—this is from Mr. Strong's desk. He says, "Attached is a ruling of the OHTB regarding our application of D and W Forwarders Inc. for an extraprovincial authority. They ran a business very similar to ours (i.e., leasing) and were granted the authority in May 1983. Please note the board's reasons for approving the application which include: efficient transportation service at lowest cost; proper rate structure could not be maintained; board offers no comment to loose leasing arrangements; shipper witnesses used leasing arrangements with the applicant before; administrative function related to leasing could be reduced; problems with present economic climate; productivity of province would be aided; obvious energy conservation flowing from a better balance.

"These facts are exactly the case put forward by Dawson and have been ignored in our case."

In that application you have parallel circumstances, parallel situations, and one outfit gets its licence. Dawson put a very good case together and they did not.

**Mr. Marrs:** I am certainly prepared to take a look at it.

**Mr. Cunningham:** I would be very grateful if you would.

**Hon. Mr. Snow:** Mr. Cunningham, maybe Mark Larratt-Smith, who is in charge of the enforcement area, might have some comments on this case.

**Mr. Larratt-Smith:** I can comment generally from the ministry's perspective but I cannot comment on this case. There is a real dichotomy here. What we are trying to do is achieve compliance. That is one of the major new emphases in our enforcement area because we are very concerned that we focus the attention of our efforts not on simply getting convictions but in getting people to operate within the law, whatever the law says.

If we are going to achieve compliance, that means we have to encourage people to come in from the cold, as it were. The difficulty there is that if we encourage someone to make an

application, which in many cases ministry officials will do, we are encouraging them to go to the board and to indicate the operation they are proposing as being one that requires a public licence.

In some instances those have been so-called illegal operations in the past and in some cases they have been legal leasing operations of one kind or another. I know you are familiar with some of the leasing arrangements that can be made under the existing law.

The difficulty that the board faces under those circumstances is, if it does get an application from a carrier who has a long record of convictions before the courts and we do make available the transcript of the applicant's record for use by the board in a hearing then the board is faced with, first of all, someone who wants to come in out of the cold, but also the difficulty of a situation where all of the evidence has been compiled through illegal operations by that applicant operating totally outside of the system in advance. That puts the board in a very difficult position, in my opinion.

The answer would seem to be, and this is what we are attempting to do with our own enforcement staff and with our advice to carriers or potential carriers who seek it, to try to get them before the board sooner, before a record of conviction is developed. I cannot speak to this case because I am not familiar with it.

**Mr. Cunningham:** Invariably I get calls from people who are either referred to me or who are people in my area. They want to know whether they should make an application to the board. Under normal circumstances, I would like to invite them to do that because I want to see them in that regulated framework.

That was the major key thrust of our select committee report. Notwithstanding all the speeches that my friend the member for Cochrane North (Mr. Piché) makes about different policy directions, I am not persuaded that deregulation is a great idea. I falter and waver when I read decisions like this one. They undermine my confidence in the process.

We want people to come forward. I do not think it is incumbent upon these people to have to tell us they were involved in the Boy Scouts and everything else, or the Progressive Conservative Party of Canada—I will have to have a chat with them about that. What I want to know is, are they able to serve the public? Are they ready, are they willing, are they able, and do they have the financial capability of doing that?

**Hon. Mr. Snow:** Eric, what you are really doing is giving us substantial support for the fitness test that is proposed in the PCV review committee as the major entry test rather than the public necessity and convenience.

9:40 p.m.

**Mr. Cunningham:** Maybe we need a fitness test at the board.

**Hon. Mr. Snow:** That is part of the PCV review committee report.

**Mr. Cunningham:** For the membership of the board.

**Mr. Gilbert:** But the board has to function under the present regulations.

**Mr. Cunningham:** A guy can come in off the street—Mr. Riddell and I can go to the bank and if they would give us the money we can make an application de novo and indicate we want to run from A to B carrying XYZ.

**Hon. Mr. Snow:** That is your right.

**Mr. Cunningham:** Yes, it is our right to do it. But the fact that once upon a time we ran a leasing operation does not, in my view, forever put us in some sort of a regulatory purgatory.

**Mr. Nixon:** Truck liquor out of the new warehouse they have there.

**Hon. Mr. Snow:** That should have been in Oakville.

**Mr. Nixon:** That is the only thing that did not go in Oakville.

**Hon. Mr. Snow:** The dome is going to Oakville.

**Mr. Nixon:** You can put it at the end of the Snow Parkway.

**Mr. Cunningham:** I am very serious about this because you have what I would consider to be one very serious policy flaw. It is operating at the highest level in the board and in the ministry. I think you are wrong-headed.

First of all, in this particular instance, in which I really would like to see the minister order a review, I cannot tell you how strongly I feel about that and I have several other members seized with the transcript look at that. Fairness and equity would dictate that in my view. Maybe the minister will think about it. But these guys have never been convicted of anything. There is no record. You can say it was because they did not get caught, there are all sorts of different reasons for it.

**Hon. Mr. Snow:** I accept your statement of that. I accept it 99 per cent because I think you are an honourable member and that is what you believe, but before I totally accept it I would

like to check our records to see whether there are convictions against this company or not.

**Mr. Cunningham:** I am advised there have been none. But even if there are, are they destined to sit out there in the wilderness forever?

**Hon. Mr. Snow:** I have seen situations similar to this where a record is put before the board where a company has 20 or 30 convictions in the last couple of years.

**Mr. Cunningham:** They are trying to go straight.

**Hon. Mr. Snow:** Do you think it is irrelevant that they have been convicted this number of times?

**Mr. Cunningham:** They have been convicted and a penalty has been dealt out. This place here used to deal out penalties under a former administration, but we will not get into that tonight. It does not do it any more, that is not its function in life. The courts deal with these people. You are fined \$100, \$200, or whatever. What is the fine now? It can be \$10,000, can it not? What is the top limit? What is the best you can give?

**Hon. Mr. Snow:** I have not seen too many over \$1,000.

**Mr. Cunningham:** Then that is the price of admission, that is the price of operating.

**Hon. Mr. Snow:** I think we all agree. We have had select committees on trucking, we have had the PCV review committee, we have had an excellent number of recommendations which are in the process of implementation. If I did not agree to some degree with where your disagreement and mine seems to be rotating, that we need a new look at the regulations of the trucking industry, then we would not be proceeding in the way we are.

I hope, following through with the PCV review committee, we will have a new piece of legislation and a new regulatory process which Mr. Marrs and his members of the board will be implementing. Today they are operating under the act that this Legislature has passed. You cannot expect them to change the rules just because our thinking differs.

**Mr. Cunningham:** I do not see it anywhere in the rules. I see nowhere in the rules that gives George Marrs and Messrs. Duncan et al, the power to be judge and jury on anything else but the application. That is it. I do not care if the guy was convicted 20 years ago of breaking and

entering. That might qualify him for a job running an auto tech centre for the government.

**Hon. Mr. Snow:** Break and enter?

**Mr. Cunningham:** If you guys move without environmental approval, you guys will associate with some of those guys.

**Mr. Gilbert:** We look after our fines as well.

**Mr. Cunningham:** I understand that.

**Hon. Mr. Snow:** We pay our share.

**Mr. Cunningham:** I understand that. If I had been invited to the dinner to help you guys with that, I would have gone.

**Hon. Mr. Snow:** What dinner?

**Mr. Cunningham:** There was no dinner to help you guys pay your fine?

**Hon. Mr. Snow:** No. I was looking for a contribution from you. We thought our critics would want to share with us.

**Mr. Cunningham:** You have my point on this. I know other members may want to raise some other issues. Maybe the minister would consider this. I would be very grateful if you would look into this situation, mindful of the depth of my feelings on it, and possibly direct the board to rehear it or to have two other members of the board rehear. I do not know if that is beyond your scope or not.

**Hon. Mr. Snow:** That can be ordered by route of an appeal to cabinet. Cabinet can order a new hearing on an application.

**Mr. Cunningham:** I think you and the cabinet are almost the same. You are a lot closer to that brass ring than I ever will be.

**Hon. Mr. Snow:** I never thought you elevated me to that status, that I speak for the whole cabinet.

**Mr. Cunningham:** If the appeal does come to you, you can order a rehearing in the same manner that you ordered a rehearing on the United Parcel fiasco. It is within your power to do it.

**Hon. Mr. Snow:** It is within the cabinet's power, yes, if there is an appeal. Not if there is not an appeal.

**Mr. Cunningham:** Now that you know my concerns I hope you look at it. This is one of the most awful decisions I have ever seen.

Frankly, I really hope I do not have to read another three-page dart like this one again where he just never deals with the issue at all. All he deals with, in a lecture-like tone, is his perceived view that it was an illegal operation. If Mr. Duncan wants to make an application to be

a judge in provincial court, that is another matter.

**Mr. Samis:** Mr. Chairman, we have covered only four votes so far. I just want to make a brief point that I have some other items I would like to raise. I have to leave a little early tonight, so I would just make a request to move, if possible, to vote 2703 after we have completed this vote.

**Mr. Chairman:** We are on vote 2703 right now.

**Mr. Samis:** Then item 3 in 2703.

**Mr. Chairman:** Why not deal with the whole of 2703 at this time? Mr. Marrs may be requested to answer some questions. Has anyone else a question of Mr. Marrs while he is sitting before us? I guess not. Thank you, Mr. Marrs, for your appearance.

We will deal with the voting part of this. You want to deal with item 3?

**Mr. Samis:** Yes, please.

Item 1 agreed to.

Item 2 agreed to.

On item 3, examination, inspection and enforcement:

**Mr. Samis:** You will not get anybody to go to Ungava with you in January.

**Hon. Mr. Snow:** Who is going to Ungava?

**Mr. Samis:** Piché is going to take a right turn at Hudson Bay.

**Hon. Mr. Snow:** René, are you going to invite me to go to Ungava?

**Mr. Samis:** Would you want to go there in January?

**Mr. Nixon:** Nothing left on Griffith Island?

**Hon. Mr. Snow:** If you invite me to Ungava, I will take you to Griffith Island with me.

**Mr. Piché:** You will have to explain to me where it is.

**Mr. Samis:** What goes on there, that is what we want to hear. Getting away from Griffith Island for a short while—

**Hon. Mr. Snow:** It is hard to leave.

**Mr. Samis:** I know it is. It would be nice to see it first, before we could leave it.

**Hon. Mr. Snow:** I will take you up there some time, George. You and I can go up there and I will get that shotgun out in the bush.

**Mr. Samis:** It must be rough on the deer.

**Mr. Williams:** Mr. Chairman, we have vote 2703 to go and then we have 2706, 2707, 2708 and 2709, so can we move on to the others by 10 o'clock?

**Mr. Samis:** You did not put a time limit on Mr. Cunningham. He went for 46 minutes. My questions are pretty quick anyway.

**Hon. Mr. Snow:** George never takes up much time.

**Mr. Chairman:** We have to complete by 10:10. Mr. Williams does want to get on to the other points.

9:50 p.m.

**Mr. Samis:** I just want to ask some questions relating to safety. I touched on some of these topics in my opening remarks and the minister replied briefly, but I want to get more response to it.

On the perennial question of motorcycle safety, I looked at your reply last year to the concerns that were raised. I read your reply again this year. Tell me if I am wrong, but nothing seems to be happening beyond your meeting with the various people. The statistics get worse every year. I am asking you to give me some tangibles of what you are doing, in view of the increasing problem.

**Hon. Mr. Snow:** We are trying to find the solution to the problem. The statistics speak for themselves. There has been an increase in the number of motorcycle accidents and deaths, which I am very concerned about. On the other hand, there has been a tremendous, or a considerable—I do not know if the word “tremendous” is right or not—increase in the number of bike riders. We are desperately trying to find a solution to the problem.

**Mr. Samis:** Can you give me some idea of some of the initiatives you are taking in that process, so that we have a better understanding of what you are supposedly trying to do?

**Hon. Mr. Snow:** We have had a seminar. We brought all the people in the motorcycle fraternity, including the manufacturers, distributors, riders, clubs and so on, together on this area. One of the initiatives that has been suggested is introducing a sort of probationary licence for a motorcyclist, which would mean that you get your M licence and you are limited for the first year or two or some such period of time to a 500cc or 750cc or whatever size bike. That is one suggestion that has been made. It is one we are investigating.

**Mr. Samis:** Let us take that one. We have discussed that two years in succession. If you are convinced it is worth while, what is the delay in moving on it?

**Hon. Mr. Snow:** We are trying to work towards a package. We are trying to consult the industry and the riders.

You have to realize there are a great many different views on this matter. A lot of people say they should not have to wear helmets or licences or many things, which I do not agree with.

**Mr. Samis:** Surely you must have some idea what you would like to do to resolve the problem. Obviously you cannot solve the whole bloody thing legislatively, but surely there are some initiatives you think are worth trying.

**Mr. Gilbert:** When you look at the types of fatalities that are involved, I do not know whether you are aware of the statistics that were presented at the seminar the minister mentioned, but in the survey we did we found that many of those fatalities are cases where they would not be picked up by any type of licensing.

**Hon. Mr. Snow:** They just do not have a licence, period.

**Mr. Samis:** Okay, that is one problem there. Maybe another problem is the whole—

**Hon. Mr. Snow:** It is a serious problem. I do not know how the hell I can correct that. We say you have to have an M licence to drive a motorcycle. I drive a motorcycle and I have an M licence.

**Mr. Samis:** Maybe there is a not a sufficient deterrent to these people. It is a complex thing. That might be one area—

**Hon. Mr. Snow:** That is one thing we are looking at, an increase in the fine for driving without an appropriate licence. There are a lot of people out there and everybody does not read the Highway Traffic Act—

**Mr. Samis:** Nobody reads it.

**Hon. Mr. Snow:** —and study those things the way you and I do. There are a lot of people out there who think they have a licence to drive an 18-wheeler truck and a bus and a hundred and one other things, so why can they not drive a bloody two-wheel motorcycle. With all due respect, there are people out there innocently driving a bike who think they do not need to have any other licence than the one they have. I know that and you know that.

**Mr. Samis:** I do not deny there are some like that, but surely it goes well beyond that.

**Hon. Mr. Snow:** When we investigate and follow through the research, a considerable number of the people involved in motorcycle

accidents do not have an M licence. That is an enforcement problem.

**Mr. Larratt-Smith:** Perhaps you might be interested in a specific list of items that are under review or proposed for implementation.

**Mr. Samis:** That would be helpful.

**Mr. Larratt-Smith:** We did have a seminar, and by way of preliminary comment, having chaired that seminar, the increase in accidents is at least partly matched by the increase in the number of riders and vehicles, as the minister says, which changes the weighting of the severity of the problem. It also became very apparent at the seminar that the problem was a very complex one for reasons such as the large number of unlicensed motorcyclists. If there is one simple fact in all of it, it is that a motorcycle is inherently a more dangerous vehicle than any other.

**Hon. Mr. Snow:** Ten times more dangerous than an airplane.

**Mr. Samis:** I think registrations last year went up in the realm of 10 per cent, and the number of motorcycle passengers killed increased by 69.2 per cent.

**Mr. Larratt-Smith:** That was on a relatively small sample base. The increase was 18 per cent in the total fatalities, which was a very disturbing increase, particularly when we had a general decrease during that year. Certainly, one cannot explain that away simply on the basis of an increase in ridership or in sales of vehicles. The one thing that statistical experts caution us on is looking at any single year's set of statistics on a relatively small base and assuming it is other than an anomaly. Anomalies can occur statistically, so I am told, particularly when dealing with small bases.

Turning to specific actions, we were discussing the proposals in the Highway Traffic Act for increasing the penalty for driving without a licence, which was specifically triggered by the research done on these fatalities. We are looking at upgrading the motorcycle drivers' manual because it is quite clear there are some deficiencies there.

We are looking at upgrading the written test for the class R permit and at developing information campaigns directed at motorcyclists, specifically at some of the problem areas that were identified in that fatalities study, one of the significant ones being alcohol and motorcycling. We are also looking at upgrading the motor vehicle accident report form for data retrieval with regard to motorcyclists as with other cases.

We do not have good enough information and we have undertaken improved liaison with the police on enforcement.

There are three areas we are looking at for further study, the first being the potential upgrading of the road test for the class M licence and the second the developing of motorcyclist exposure data. The one problem in looking at the increase in numbers of licensed drivers and numbers of vehicles and then the accident rate is that we do not know what the exposure factor is, the number of miles motorcycles are travelling on the highway. Without that we cannot tell whether we are looking at a natural increase or something that is related to the use of the vehicles or something that is severe. That is going to be very difficult. That is why it is not listed for immediate implementation but for study.

The third is the one the minister mentioned, which is some kind of restriction on the size of the motorcycle. The difficulty we are warned about in terms of the displacement restriction is that the technology is changing so fast with these bikes. If we put in a 500 cc breakpoint, within six months importers will be importing something that is turbocharged that is just under those limits, and it may be a heck of a lot faster and more dangerous to ride and require more skill to ride than a very large bike that is primarily a touring machine. There are real problems with displacement. There are problems with horsepower because it is difficult to measure, particularly for an enforcement officer.

There is currently a proposal being evaluated—I am not sure if it has been accepted yet—by the Canadian Conference of Motor Transport Administrators to be undertaken by the Traffic Injury Research Foundation of Canada to look at this problem and to try to come up with some kind of a factor that could be used by all provinces across Canada in a consistent manner in being able to differentiate between a high-performance and a low-performance motorcycle. We do not have that, but it is a subject of further research.

10 p.m.

**Mr. Samis:** I would say that information is helpful, and I would ask you to forward it on.

I just have one final question on this because of the time factor. What do the industry people tell you when you approach them and say, "Look, we have a problem here"? What sort of approach are they taking when you meet with them? Are they trying to pretend there is no problem? What are they saying?

**Hon. Mr. Snow:** I will comment briefly and then I will let Mark respond; he has had most of the relationship with the industry.

The industry representatives I have met over the past few months in dealing with the Off-Road Vehicles Act have been most co-operative and most sensitive and have tried to work with us in solving the problem.

**Mr. Samis:** But I would like to know what they are saying to you.

**Mr. Larratt-Smith:** I am not sure I can be a great deal more specific than the minister has already indicated. The industry in general seems to be taking a pretty responsible view of its obligations and of the need for motorcycle safety. I think they recognize that if they do not take such a view, they are likely to be in much more serious trouble. They certainly dispute the idea that we have a crisis on our hands.

**Mr. Samis:** But what if you were to confront them and say: "Look, maybe there is no crisis, but there is a problem. Tell me one bloody thing you would do. You are concerned. You are prepared to work with us. You guys are in the business. You are making a lot of money off this. Your sales are up. Give us one thing you say you would do." Surely they must give you one proposal, one suggestion.

**Hon. Mr. Snow:** There are many areas where they are working very hard in helping to promote education courses, motorcycle—

**Mr. Samis:** But I am asking, "What are they saying to you?" You say: "I have a problem. I want to work together with you, the riders and the safety people." Surely they have some input on the safety problem.

**Hon. Mr. Snow:** At least they are meeting with us; they are sitting down with us and trying to co-operate.

**Mr. Larratt-Smith:** I do not believe they have any specific program to solve the problem. What they have been saying to us in the meetings I have had with the industry—and I am trying to distinguish in my mind now all of the suggestions that were laid before the particular seminar we had as being those that came from the manufacturers and those that came from others—is that they certainly see a need for more education, both for motorcycle drivers and for those who are nonmotorcyclists.

**Mr. Gilbert:** But, Mark, you have to really look at the statistics which you produced at the seminar to understand the problem the industry

has, just as we have. There is really no simple solution.

**Mr. Samis:** I am not suggesting that. I am just trying to get some sense of anything they are saying constructively.

**Mr. Gilbert:** Have you seen the types of accidents and fatalities that have taken place? Have we made that information available to you? I think it is very revealing.

**Mr. Samis:** I do not think I have. I have not seen it.

**Mr. Gilbert:** I think we certainly should make it available to both Mr. Cunningham and Mr. Samis.

**Hon. Mr. Snow:** I am beginning to think that maybe we should have had Mr. Samis and Mr. Cunningham at that seminar.

**Mr. Samis:** Or any future seminars you may have.

**Mr. Cunningham:** Did the ministry prepare a brochure on motorcycle safety?

**Mr. Gilbert:** We have a motorcycle handbook.

**Mr. Larratt-Smith:** We have had a number of brochures on motorcycle safety over a period of time.

**Mr. Cunningham:** Are you distributing them?

**Mr. Larratt-Smith:** Yes. I cannot tell you which specific items are available at this time but there are a number of items that have been available and are made available.

**Mr. Gilbert:** They are continually updated.

**Hon. Mr. Snow:** There is a motorcycle handbook, similar to the drivers' handbook, which is available in my riding office. I am sure it is available in both of your riding offices. If it is not, it is available to you.

**Mr. Larratt-Smith:** The motorcycle handbook in particular is one we are upgrading. It has been the subject of criticism, which we felt was legitimate criticism; it needed some additional work.

**Mr. Samis:** Let me ask you—

**Mr. Chairman:** Excuse me. I had promised Mr. Williams he could get in on a different vote entirely.

**Mr. Samis:** The agreement was 10:10.

**Mr. Chairman:** I believe we have to finish a votes by 10:10.

**Mr. Samis:** All votes?

**Mr. Chairman:** All votes by 10:10.

**Mr. Samis:** Let me leave in just one question.

**Mr. Chairman:** One final question.

**Mr. Samis:** I think this is an excellent report with lots of good ideas. Maybe it is not all feasible, but it has lots of good ideas. Can I ask what role your ministry is taking to try to have some of those implemented? I realize it is interministerial, but what is your strategy? What emphasis are you putting on their recommendations? What are you trying to get the Attorney General to agree to?

**Hon. Mr. Snow:** It is not a case of getting the Attorney General to agree to anything when one of the major recommendations of that report is the picture on the driver's licence.

**Mr. Samis:** That is right. The report says 40,000 drivers a day in the city of Toronto are driving with licences under suspension.

**Hon. Mr. Snow:** We want to implement that. You and I and other members of the House passed provisions for that in the Legislature about four or five years ago. I just have not been able to implement it because I have not been able to get the funding. Again, one of the new initiatives we have put forward this year is for new funding to implement that program. I want to implement it; I wanted to implement it five years ago.

Item 3 agreed to.

Vote 2703 agreed to.

**Mr. Samis:** Under protest.

On vote 2706, provincial transportation program:

**Mr. Williams:** Mr. Chairman, on vote 2706, the biggest component of the provincial transportation program is the air program. I wanted to touch on a couple of things the minister may not have time to reply to. If not, he will have to give me a written response, but I want to get my questions on the record and I will look for an answer at some appropriate time.

We did talk superficially about this program back on November 2, during the earlier stages of the estimates. At that time the minister made reference to the fact that they had built 20 or 21 remote airports in northern Ontario and that he intended to provide us with more information later on in the votes. It looks as though he is going to be denied that opportunity. He made reference to Deer Lake and Sachigo, I believe.

**Hon. Mr. Snow:** We opened Deer Lake and Sachigo this year. It is a lovely, creative airport.

**Mr. Williams:** Right. You were going to mention a couple of others. You made reference to Goderich and the new terminal facility they have down there, which is a pleasant

addition to what they have there and have had for some period of time.

I do not know how Killarney has fared since that was opened this summer. I do not think you have any terminal building on the site as yet. Is there a small terminal building there now?

**Hon. Mr. Snow:** There is a nice little building there. I do not know whether you would call it a terminal, but there is a service building there. I know the needs of every airport are different, but I do not think Killarney particularly needs a terminal. It has a little service building which meets the needs of that airport, and that is all that is necessary.

**Mr. Williams:** I do not want to get into the raging debate that is going on between the federal and provincial authorities over the relocation of the Summerstown airport. I do agree with the comment that was made earlier that it would certainly be helpful as far as accessing that airport is concerned if the county road leading into the airport was upgraded.

**Hon. Mr. Snow:** Which airport is this?

**Mr. Williams:** Summerstown, down at Brockville.

**Hon. Mr. Snow:** That is no problem. They are going to unveil the new runway at Summerstown and I have given them a commitment we will upgrade the road to the airport. That is no longer an issue.

**Mr. Williams:** I know the press misinterpreted what you said when you made a statement about the ministry's support for that expanded facility, suggesting it would probably be more appropriate to go to a 5,000-foot runway rather than a 3,500-foot runway, and they interpreted it to mean you were demanding that it be a 5,000-foot runway.

**Hon. Mr. Snow:** No, no. That is strictly a press interpretation. It is not the interpretation of the council.

**Mr. Williams:** I know. That is what I am saying.

**Hon. Mr. Snow:** I suggested that when they were building a new airport they should plan for the ultimate extension to 5,000 feet because I knew from past experience that five or 10 years from now the municipality might very well be asking for a 5,000-foot runway.

**Mr. Williams:** I agree. I think the local municipality should think in that direction.

**Hon. Mr. Snow:** The federal Minister of Transport—

**Mr. Williams:** Aylmer was one facility where they did go to 5,000 feet through persuasion by local industries and so forth. I think Tillsonburg is another example where they expanded their facilities to accommodate small private jets for the local industries.

10:10 p.m.

**Hon. Mr. Snow:** Kingston and St. Catharines have and Kitchener is in the process.

**Mr. Williams:** They are certainly thinking in the right direction. I would hope your ministry would encourage any municipalities that are planning airport expansion with our financial backing to think along the lines of 5,000 feet instead of 3,500.

**Hon. Mr. Snow:** We sure will.

**Mr. Williams:** One thing I noticed in that debate was the discussion revolving around Trenton. I have never been able to understand why the Department of National Defence deemed that its facilities had to be exclusive to that purpose. I know North Bay is a mixed commercial-military operation and whenever you fly through the United States, you will find many dual-facility airports down there. They have the national reserve military base on one side of the field and commercial on the other. I could never understand why we—

**Hon. Mr. Snow:** They may even have them both on the same side.

**Mr. Williams:** Sometimes they do, but certainly it provides greater access for general aviation.

**Mr. Piché:** On a point of order, Mr. Chairman: For some time there were no members here from either the Liberal Party or the New Democratic Party, though one member just came in. This must show that the government, through the Minister of Transportation and Communications, is doing a very good job as far as—

**Mr. Chairman:** You are getting beyond the point of order.

**Mr. Piché:** Just a minute and I will voice my concern. Since both parties have left, there was nobody on the opposition side, only on this side. Let the record show that.

Interjections.

**Mr. Piché:** Although one member just walked in. I just want to set that on the record because I—

**Mr. Chairman:** Thank you for bringing that to my attention, Mr. Piché. I appreciate that.

**Mr. Wrye:** On a point of order, sir.

**Mr. Chairman:** The time has expired.

**Mr. Wrye:** That is right.

**Mr. Williams:** The other members encroached on the time. You promised me 15 minutes. I have had five minutes and I would like to take another two minutes to get these things on the record, although I know there will not be the time for me to get an answer to them.

**Hon. Mr. Snow:** I love these questions without answers.

**Mr. Williams:** I must insist that I be given a couple more minutes. There are three things I want to get on the record. One, I had wanted to know more about what the current status was with regard to the municipal airport development program, as we are now dealing with southern Ontario. I know the program is developing, but I had hoped to get a detailed accounting of what progress has been made in that area.

There is one facility in the district of Parry Sound which is encompassed by the program. From both the current estimates and the original airport development program, I notice that facility has never been referred to or earmarked to the best of my knowledge. That is the only other airport facility in the district of Parry Sound, at Emsdale, which was, as you know, an old military base during the war. It is the only airport facility with a three-runway configuration midway between North Bay and Muskoka.

**Hon. Mr. Snow:** We are working with Emsdale.

**Mr. Williams:** It seems to me it is one which has been ignored. I would be interested in knowing what the situation is.

**Hon. Mr. Snow:** It is not ignored at all.

**Mr. Chairman:** I am afraid I am going to have to break in, Mr. Williams.

**Mr. Williams:** I have two more comments, Mr. Chairman.

**Mr. Chairman:** I realize you have two more comments.

**Mr. Williams:** I also wanted information on the commuter program with regard to regional air services and local air services, in particular the Toronto Island Airport, which is the focus point of that system. I would like to know what the status of that situation is.

Lastly, although I wanted to go into it in some depth, I want to offer some constructive criticism with regard to the service you provide

the general aviation community with the airport facilities map you have been publishing now for several years. I would hope it could be upgraded to a full service, aeronautical map, such as some of the adjoining states and provinces provide to the general aviation community in their particular areas. I think it is a good map and it is a move in the right direction, but I notice it has on it the caveat that it is not to be used for aviation purposes.

**Hon. Mr. Snow:** And it should not be.

**Mr. Williams:** And it should not be, because it does not have the runway configurations, it does not have the compass roses, it does not have the elevations and the other information that normally goes with the full-service aviation map. I hope your staff will continue to expand and improve upon the mapping in that regard and will bring it to a full-service document so that it can be mailed out to those who inquire within the general aviation community from distances far and near, as we do. We have a couple of them here from Florida, Mississippi and other states that show what can be done.

**Mr. Chairman:** Thank you very much. Time has expired. I am sorry, Mr. Williams.

**Mr. Williams:** We hope you will be able to respond to those questions with a detailed response.

**Mr. Chairman:** I am sure he will. I know him very well. I will personally see that he does.

**Mr. Williams:** Next time we will start that vote first.

Vote 2706 agreed to.

Votes 2707 to 2709, inclusive, agreed to.

**Mr. Chairman:** That concludes the estimates of the Ministry of Transportation and Communications.

**Mr. Piché:** There is one statement I have the right to ask under—

**Mr. Chairman:** Under whatever rule—

**Mr. Piché:** The question was just raised about regional air service and the Toronto Island Airport.

**Mr. Chairman:** Thank you very much. That vote has been carried. There is no use in trying to deal with it without—

**Mr. Wrye:** On a point of order, Mr. Chairman: before we adjourn, some of us have been here waiting patiently to find out when, if ever, we are going to finish the Weiler report.

**Mr. Chairman:** A good point.

**Mr. Wrye:** I know my friends from the New Democratic Party are not here, but you are aware, Mr. Chairman, of the—

**Mr. Piché:** And your friends from the Liberal Party are not here.

**Mr. Wrye:** I would like to know from you, Mr. Chairman, what your discussions with the various ministers and the government House leader, Mr. Wells, have been and when we can expect to get on with Weiler before the bloody report is released by somebody else.

**Mr. Chairman:** All copies of the report are in the hands of the clerk.

At our last meeting regarding Weiler, the decision was made to meet on November 21, Monday afternoon. For reasons only known to the NDP, they cannot meet on the afternoon of Monday, November 21, on that item. I suggested today, and it was agreed by you, Mr. Wrye, and by your colleagues in the Liberal Party, that November 28 would be a good date to meet. However, again, the NDP were not able to meet that commitment.

**Mr. Williams:** Mr. Chairman, I move that we proceed with obtaining approval from the House leaders and proceed on the afternoon of Monday, November 28, as being the last possible date we could meet and expect to get the report printed and tabled in the House in this session.

If one of the members of the third party cannot be available, I think we have made every accommodation we can. I know throughout the hearings we have accommodated all members who could not be here from time to time, Mr. Wrye included. I think there is a point where we have to finalize the matter.

It appears Mr. Laughren cannot be here on November 21 or 28. I do not know what the difficulty is, but we should either do it on one of those afternoons or on Wednesday afternoon, November 23 or November 30. There are four occasions for which we could get House approval to meet and finish this off. It would take one half-day session to do it.

Obviously the interest is not great and that is unfortunate. It is important and I think we should get this resolved now. I am anxious and I want to go on record as saying that as far as our party is concerned, we want this report tabled in the House this session—

**Mr. Wrye:** So does our party.

**Mr. Williams:** —and I know the Liberal caucus does, too.

I am asking, Mr. Chairman, that we establish one of those four dates. Surely the third party

can meet on one of those four dates in order that we can wrap it up, because we are all satisfied it can be done in half a day. I suggest this be settled so that by Thursday of this week we seek approval from the other parties for one of those afternoons. Will you be available then, Bill?

**Mr. Wrye:** I cannot sit on November 30, but I think the 30th is pushing it rather late.

**Mr. Williams:** So say I.

**Mr. Wrye:** I see no reason why we could not sit on a day when estimates are scheduled. It seems to me this is a little more important than estimates. We have been a year and a half at this process and I think injured workers have the right to have this report tabled.

I agree with John that we have struggled long and hard. I hope, Mr. Chairman, you can get together, perhaps informally, with the third party, which appears to be the problem in this. It is very clear to me that they do not want to sit on a day when the committee is not scheduled, and that seems to me to leave the estimates time. Because you are going to get no agreement from

their House leader, it seems to me we are going to have to choose to set aside estimates for two and a half or three hours on some day. I think we had just better get on with it. This is ridiculous.

I realize we have all had problems, and I have been part of the cause of them, but the time has come for us to say to some minister and to some critics, "You are going to have to set aside time." Because we may need the time, I suggest a week this Wednesday morning, November 23, as the most likely candidate. We could sit under the same conditions as we did Wednesday last, for four hours, and get our work done. I think we have about four hours' work left. I suggest you put that to the minister involved and to the government House leader. For our party's part, we will agree to that.

**Mr. Chairman:** I will put it. Agreed? The committee is now adjourned until 10 o'clock tomorrow morning.

The committee adjourned at 10:22 p.m.

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 Larratt-Smith, M. H., Assistant Deputy Minister, Safety and Regulation  
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No. R-16

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# **Hansard**

# **Official Report of Debates**

## Legislative Assembly of Ontario

**Standing Committee on Resources Development**  
Estimates, Ministry of Natural Resources

**Third Session, 32nd Parliament**  
Wednesday, November 16, 1983  
Morning Sitting

Speaker: Honourable John M. Turner  
Clerk: Roderick Lewis, QC

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# LEGISLATIVE ASSEMBLY OF ONTARIO

## STANDING COMMITTEE ON RESOURCES DEVELOPMENT

Wednesday, November 16, 1983

The committee met at 10:10 a.m. in room 228.

### ESTIMATES, MINISTRY OF NATURAL RESOURCES

**Mr. Chairman:** We will proceed with our estimates. I understand we have about 18 hours. I also understand the minister has several words of encouragement to eliminate all possible debate later on.

**Mr. Laughren:** Mr. Chairman, I notice an absence of very many civil servants from the Ministry of Natural Resources. I would not want to read into that the idea that the minister does not want the views of his staff expressed for the record. However, I would like the assurances that when we get to the forestry vote, for example, and the various other votes, there will be appropriate people from his ministry here so we can have a dialogue with them as well on matters that no one would expect the minister to have that kind of detailed knowledge.

**Mr. Chairman:** Knowing the minister, he probably would have that information. Minister, would you answer?

**Mr. Laughren:** I think we have a right to that.

**Hon. Mr. Pope:** Mr. Chairman, I think this is an ongoing debate. This is the third year we have had this debate, and I have not changed my position.

**Mr. Laughren:** Are you saying you do not want your staff here during the debate?

**Hon. Mr. Pope:** I am saying I am answerable for the activities of my ministry and Mr. Foster is the deputy minister.

**Mr. J. A. Reed:** No, no—

**Mr. Laughren:** No, no. Let me finish, Julian. That really is unfair. When we get to the debate on forestry, for example—I will use that just as an example I pulled out of the air—I think it is important that we have the director of your forestry branch and someone from the Maple research station. Those kinds of things are terribly important to us as members of the legislature, and we have a right to talk to those people and to get their views on things. This is not your toy. The ministry is answerable to the legislature.

**Hon. Mr. Pope:** The minister is.

**Mr. Laughren:** No, the ministry.

**Hon. Mr. Pope:** The minister is.

**Mr. Laughren:** Are you saying you do not want any of your people here during these estimates? Is that what you are telling us?

**Hon. Mr. Pope:** I am saying I am answerable and Mr. Foster is with me and we will attempt to provide the answers.

**Mr. Laughren:** And you do not want anybody else here. That is incredible.

**Hon. Mr. Pope:** You found it incredible last year too.

**Mr. Laughren:** It is more incredible this year because you have not provided the answers during the last year.

**Mr. J. A. Reed:** Mr. Chairman, there are some very specific areas of technical questions and expertise upon which I will be asking questions. Understanding that the minister is entirely brilliant and the repository of all things bright and beautiful, I would still like him to know that there are some questions of a specific technical nature. In my case they involve the flood plain mapping process and the technical base that surrounds that. We need answers as to why decisions and certain thrusts are being taken in connection with the flood plain and they do involve very specific technical answers. I believe it is an affront to the estimates to elect not to bring in the kind of experts who can answer those questions. I would say that as a matter of course.

Nobody could agree more with the waste of time of having a block of civil servants sitting in this audience when the chances are 75 per cent that many of them will not be asked any questions or have to supply any expert advice, but my colleague has mentioned certain specific items and I have mentioned a specific item. It seems to me that at the very least arrangements could be made to bring those people in to answer some of the questions that are going to arise. If the minister feels confident he can answer the questions I am going to ask on the technicalities of flood plain mapping, then so be it. Quite frankly, I do not think any one person can claim that kind of assembly of knowledge.

**Mr. Chairman:** The minister has stated he is prepared to answer questions. I am certain it is his responsibility to provide answers to the questions that are directed to him. It is his responsibility to report in the Legislature on any matters that arise under his ministry. He has made that statement. I have been with this minister on other estimates and this is the format he has taken in the past. I do not recall any problems that we have run into in the past. At any rate, it is the responsibility of the minister to make the decision.

**Mr. J. A. Reed:** We have not had the answers. Mr. Chairman, with respect, that is the problem.

**Mr. Lane:** Mr. Chairman, it is pretty interesting to think that in all the estimates we conduct here, the complaint from the critics is that we have a whole damned roomful of people who should be out working. Here we have just the opposite now, with them complaining because the room is not full. How are you going to satisfy that kind of criticism?

**Mr. J. A. Reed:** John, you did not listen to what I said. I said I could not agree more that it is a waste of time to have a roomful of bureaucrats here, but when we have specific subject matter that is to be dealt with and a request is made to have the experts here to answer questions, it seems a matter of course that the people of Ontario deserve no less.

**Mr. Lane:** How would it be if you criticize that when the time comes that you cannot get the answer?

**Mr. J. A. Reed:** If the people come here and deliver the answers, that is all we are asking for.

**Mr. Laughren:** Mr. Chairman, I am very unhappy about this. We can only draw certain conclusions from this decision. If the minister were confident and in charge of his ministry, he would not have these fears of having senior people in the ministry express their views on certain things.

**Mr. Watson:** What a line.

**Mr. Chairman:** I think we have to—

**Mr. Watson:** I am just telling you that is a line.

**Mr. Chairman:** Order, please.

**Mr. Laughren:** I do not know what you mean by a line.

**Mr. Chairman:** The minister has stated that he is prepared to answer questions and—

**Mr. Laughren:** Mr. Chairman, let me finish with that point of order, will you, please?

**Mr. Chairman:** Carry on with the point of order.

**Mr. Laughren:** Are we to conclude that the minister has decided he does not want any of his bureaucrats to answer questions? Is he fearful there will be an independent view expressed? Is that what he is worried about?

There is evidence in the behaviour of this minister that he does not appreciate it when people in his ministry express an independent view. Is this a continuation of that? I thought the minister would have learned his lesson by now. He does not win by stamping out good people's honest opinions on matters that affect his ministry.

I think the committee has every right to request that appropriate officials of the ministry be here on particular votes. That is not asking that three or four people sit here during the whole estimates. We are asking that on the forestry vote, for example, we have the director of forestry and the people from Maple here during that debate. Now I ask you, what is wrong? What is silly? That is not filling up the room with the civil servants, as John Lane suggests. It is asking that a couple of key people on particular, appropriate votes be here during that time. Surely that is not an unreasonable request.

**Mr. Chairman:** You have asked your question. Does the minister care to answer it?

**Hon. Mr. Pope:** I am not the first minister who has taken this approach, and I will not be the last.

**Mr. Laughren:** I never said you were. What has that got to do with it?

**Hon. Mr. Pope:** Put your questions and we will try to answer them.

**Mr. Laughren:** Mr. Chairman, I move that this committee request that the appropriate officials from the Ministry of Natural Resources be here on appropriate votes, as requested by the committee.

**Mr. Chairman:** No, I am not going to accept that motion. I am sorry.

**Mr. Laughren:** What is wrong with the motion?

**Mr. Chairman:** I am not going to accept that motion. I am sorry.

**Mr. Laughren:** Would you tell me why it is out of order?

**Mr. Chairman:** Because I do not think it appropriate. I think the minister is the one who is responsible.

**Mr. Laughren:** Mr. Chairman, you are supposed to be impartial.

**Mr. Chairman:** The minister is the person responsible and he is in the one to answer questions.

**Mr. Laughren:** He answers to the committee. The committee has a right to make a request. The minister answers to the committee, not to you, Mr. Chairman. You answer to the committee, too, I might say.

**Hon. Mr. Pope:** We have been through this three years in a row.

**Mr. Laughren:** Well, we are getting tired of it.

**Hon. Mr. Pope:** When you put your questions last year, we attempted to obtain the answers.

**Mr. Laughren:** There have been a lot of questions since last year too.

**Hon. Mr. Pope:** Put the questions in estimates if you have some.

**Mr. Laughren:** That is not appropriate.

**Hon. Mr. Pope:** We will answer them in the context of the estimates debate. I repeat, I am not the first or the last minister who has this approach.

**Mr. Laughren:** That is not the point.

**Hon. Mr. Pope:** There is nothing unusual about it and there was nothing unusual about it last year.

**Mr. Laughren:** We did not say you were setting a precedent.

**Hon. Mr. Pope:** There was nothing unusual about it the year before.

**Mr. Laughren:** So?

**Hon. Mr. Pope:** I am prepared to answer questions in the context of the estimates.

**Mr. J. A. Reed:** Mr. Chairman, I have to speak to this motion, because I support the motion and I know my colleague will support the motion. The fact is that the refusal to bring people to answer questions when public money is being spent is purely contemptuous of these estimates and of the people of Ontario.

**Hon. Mr. Pope:** No. I am the minister and I have a responsibility to answer your questions. That is exactly what I am doing.

**Mr. Laughren:** You think it is your toy.

**Hon. Mr. Pope:** No. But a minister has responsibility under the laws that he is administering, and he is the one who has to answer for the policies and practices of the ministry staff and personnel. He has to answer for it in the legislature every day during question period, he has to answer it during estimates and he has

to be responsible for any new legislation that is being brought in.

**Mr. Laughren:** If it is not illegal, it is discourteous, I will tell you that.

**Hon. Mr. Pope:** It is not discourteous at all.

**Mr. Laughren:** It is. I know it is.

**Hon. Mr. Pope:** During the course of the estimates over the past two years I have done my best to try to answer the questions you have put to me. You may not think I have done an adequate job, and you are entitled to your assessment of that. Last year you put a series of 26 or 27 questions to me. I was in the process of answering them, if you will recall what happened last year, when the whole thing got interrupted. But I was in the process of going through your questions, number by number, answering them as best we could, Mr. Foster and everyone else.

**Mr. Laughren:** Did you finish?

**Hon. Mr. Pope:** I could not finish because of your interruptions.

**Mr. Laughren:** You threw a tantrum, a childish tantrum.

**Hon. Mr. Pope:** No, I did not throw a tantrum. You threw the tantrum. I recall the now Minister of Citizenship and Culture (Ms. Fish) telling you that you were throwing a tantrum, as a matter of fact.

**Mr. Laughren:** What does she know?

10:20 a.m.

**Mr. Riddell:** Mr. Chairman, will you help me? Under parliamentary procedure—I thought I knew it, but now I am beginning to wonder whether I do—does the chairman have the prerogative of deciding which motions he is prepared to accept and which he is not?

**Mr. Chairman:** The chairman certainly can rule a motion out of order if he feels it is out of order. I checked with the clerk after making that ruling and the standing orders are silent on this matter. That being the case, I will accept the motion as being in order.

**Mr. Laughren:** Thank you, Mr. Chairman. I am forever indebted to you.

**Mr. Chairman:** I was sure you would be.

Mr. Laughren moves that the appropriate officials from the Ministry of Natural Resources appear before the committee at appropriate times, as requested by the committee.

Does everyone understand the motion? Those in favour of the motion?

**Mr. J. A. Reed:** Before we vote, Mr. Chairman, this motion has been formally put now, and I take it the chair has now ruled it in order.

**Mr. Chairman:** That is right.

**Mr. J. A. Reed:** Certainly we support this motion. I guess we have no option but to go ahead and vote at this time.

**Mr. Laughren:** You are making a mockery of the estimates.

**Hon. Mr. Pope:** No.

**Mr. Chairman:** No. There has been a question. Is everyone here a voting member of the committee? All right. Then we will proceed with the vote. Those in favour of the motion? Opposed?

**Mr. Laughren:** Now, enter the chairman.

**Mr. Chairman:** Enter the chairman. The chairman has to make a decision.

**Mr. Laughren:** Yes. That is right.

**Mr. Chairman:** As I said, I have been on these estimates in the past and I have known the minister to attempt to answer questions certainly to the best of his ability. I am going to vote against the motion.

Motion negatived.

**Mr. Laughren:** I am most surprised.

**Mr. J. A. Reed:** So much for the neutrality of the chair.

**Mr. Riddell:** Churchill once said that democracy is far from perfect but it is the best system that has been employed to this point. Here is an obvious example of government members being chairmen of committees and having no option but to go the way of the party.

**Mr. Chairman:** That is not necessarily the case.

Mr. Pope, would you proceed with your statement, please?

**Hon. Mr. Pope:** Mr. Chairman and members of the committee, I am pleased to present for your review and approval my ministry's estimates for the fiscal year ending March 31, 1984.

The period under review has been and should continue to be an eventful one for this ministry. It has been a year in which we achieved increased public involvement in resource management.

**Mr. Laughren:** Excuse me. Could I get a copy of this opening statement?

**Hon. Mr. Pope:** I am making some of it up.

**Mr. Laughren:** I do not doubt that for a minute, especially the figures.

**Hon. Mr. Pope:** No. You have been making figures up. That is the reality of it.

**Mr. Laughren:** I see. So there is no copy for the opposition?

**Hon. Mr. Pope:** If you want a Xerox copy of this part of it—

**Mr. Laughren:** No. I just thought it was a courtesy that you would extend to us, that is all.

**Hon. Mr. Pope:** If you want me to attempt to get a Xerox copy for you, I will. I can tell you that I was changing it last night and this morning.

**Mr. Chairman:** Again, I do not think anybody has requested that in the past. I know that most of the estimates we have done in this committee—

**Mr. Laughren:** Most of them have not had to.

**Mr. J. A. Reed:** Most ministries have provided statements.

**Mr. Chairman:** I do not recall. I know the estimates we just completed were those of the Ministry of Transportation and Communications; the minister's opening statement was not available to the committee and it was not asked for.

**Hon. Mr. Pope:** I will arrange to get some copies.

**Mr. Chairman:** Right. Carry on in the meantime, please.

**Hon. Mr. Pope:** As I said, it has been a year in which we achieved increased public involvement in resource management. As a result, I believe many more people understand what we are doing and why, and therefore support our efforts.

In turn, the ministry's approach to policy and program development has stressed the critical involvement of the public, the need to plot out long-term resource plans and the need to foster a sense of partnership and sharing of responsibility with the private sector.

With respect to land use planning, nowhere was this spirit of co-operation and consultation more evident than in our district land use guidelines, which were released last June with great success. The land use planning thrust began in earnest a decade ago. It was not until the early 1980s that this complicated task of drawing up an inventory of Ontario's natural resources and designing a plan for their proposed future use was made a top priority of this ministry.

As the members are aware, we tabled the proposals in the Legislature on June 2, 1983. The direction for resource management that

they outlined will provide Ontario with a framework for land use planning well into the next century. The entire process, I believe, was the most complex and comprehensive undertaking of its kind in Canada. The guidelines were sorely needed. Here in Ontario we talk confidently of our resource wealth, and with reason. In the past everyone assumed they alone were entitled to an unlimited share of that wealth, be they campers, loggers, miners, anglers, commercial fishermen or whoever.

Over the years competition for our natural resources has intensified. As this competition intensified, it became evident that the winners in any struggle over land use were often perceived to be those who could exert the most pressure or were able to stake out a claim for themselves before someone else did. Government stood in the middle of the competition. We were also asked to protect the broader public interest; to protect our natural resource base for future generations.

So we set out to prepare a land use blueprint. This involved the serious evaluation of our land and water base, as well as an examination of every square mile of this province in terms of its potential for future development or preservation. Perhaps the most important part of this whole process was giving both the general public and specific interest groups an opportunity to offer their opinions.

Public involvement in the process began in 1974 and, I believe, during 1975 and 1976 involved members of the Legislature as well. While consultation with the general public, interest groups and other government ministries and agencies has continued throughout all phases of both the regional and district planning process, we have witnessed the greatest fervour in the last two years.

**Mr. Laughren:** Fervour?

**Hon. Mr. Pope:** Fervour.

In 1982 alone this ministry held 184 open houses in 45 districts. The first 43 open houses ran until April 1982 and were held primarily to present background information. Draft plans and strategies were discussed at the second round of open houses—141 of them—during June and August of 1982. These meetings alone attracted, according to our estimates, close to 10,000 people. Follow-up discussions were held with interest groups. There was additional consultation with local government officials and other ministries on the needs of their particular constituent groups.

Later, in November and December of 1982, I

presided over a series of public forums in seven Ontario communities. These were attended by more than 3,000 people—at least 750 in Thunder Bay, although my own estimates are higher than that; 700 in London; another 500 in Sault Ste. Marie; another 400 in each of Ottawa and Toronto; and 300 in each of Kingston and Timmins. Then in January 1983 I held a two-day meeting with representatives of 27 interested groups covering all points of view and discussing a variety of issues related to the land use planning process.

During the course of the public consultation process, and in addition to the 10,000 people who attended the open houses, we also received some 10,000 written submissions, formal letters, briefs, petitions and comment sheets relating to our land use proposals.

On June 2 of this year I announced that the guidelines were completed, and later that month we issued them in detailed form in 42 districts. Public information weeks in each district were subsequently held to enable the public and interested groups to come forward and ask questions on the details of the guidelines for their specific areas and interests. In some districts there have been requests for follow-up meetings, mostly with municipal councils and local groups, to discuss the guidelines.

**10:30 a.m.**

**Mr. Laughren:** Have you ever slipped up on those plans?

**Hon. Mr. Pope:** Not recently, I do not think. Based on the comments we received from the open houses and from the letters, it is probably wise we did not.

In summary, I believe the district land use guidelines have informed the citizens of Ontario that, first, the guidelines have committed the Ministry of Natural Resources and the government to the philosophy of multiple-use resource management. We have told all resource users they must co-operate with government to maintain our resources for the future and take into account all economic, social and environmental considerations.

Second, we have clearly stated throughout the exercise that the guidelines are just that. They are guidelines, not controls. They have no legal status with regard to private property rights. They do not undermine essential local planning control.

Third, the guidelines clarify the government's position concerning a number of specific issues.

With respect to mineral aggregates—sand,

gravel and crushed stone—the guidelines attempt to balance the need to maintain supplies of these nonrenewable resources with the concerns of private landowners and municipalities in aggregate-rich areas of the province.

We indicate that our fishery resources are to be shared by sport and commercial fishermen, that neither group has priority over the other.

We urge the forest industry to participate more fully in efforts to manage and renew forests to meet all of our future needs.

The guidelines pledge to conform to existing international agreements concerning oil and gas exploration in the Great Lakes and eliminate oil and gas production targets from these areas, in response to fears of potential oil spills.

The guidelines outline new policies with respect to access roads, areas of natural and scientific interest, mineral exploration in provincial parks and nonresident use of our crown land. In addition, areas such as forest reserves, lake reserves and buffers which require special forms of management to maintain or improve their resource values will now be called modified management areas.

The guidelines also identify some 250 lakes on crown land with potential for tourist development and indicate a commitment to allow existing tourist establishments to remain in provincial parks. We have pledged to work with both the Ministry of Tourism and Recreation and the Ministry of Northern Affairs in developing tourism in these areas.

Probably the most widely debated issue of the entire planning process was that of provincial parks and candidate provincial parks. The guidelines list 155 recommended park candidates. These include six new wilderness parks already approved by cabinet. They are Woodland Caribou, Opasquia, Wabakimi (or Whitewater), Lady Evelyn/Smoothwater, Killarney Extension and Kasagami Lake.

In addition, 35 natural environment, 25 waterway, 74 nature reserve, 12 recreation and three historical parks were named as park candidates out of an original list of some 245 possibilities.

Two candidates deleted from this original list point to the value of our public consultation program. These were the Brown-Wilson candidate wilderness park and the Magnetawan River candidate waterway park—in total, a 35,000-hectare area north of Parry Sound. These two candidates had been recommended because they represent two of the few remaining areas in southern Ontario outside of Algonquin Park that are suitable for wilderness recreation.

In our public meetings and open houses, however, we found that an overwhelming majority of the people from all parts of the province opposed park designation. They noted that the area produces a significant amount of timber and has a substantial existing tourism business in the form of fishing lodges, outpost camps, 36 hunt camps as well as 38 cottages.

As a result of those submissions and the comments we received in the open houses, public forums and in letters written to us, we chose to delete the two candidates from the original parks list and, instead, to identify the site as the Parry Sound Wildlands, a special crown land management area. In this way we will be able to allow existing uses to continue in the area, while paying special attention to the protection of significant natural features.

As a general rule, logging will not be permitted in provincial parks. This is expected to reduce the annual availability of conifer wood across northern Ontario by only about one percent by the year 2000. I am confident this minor reduction can be more than overcome by improved wood utilization by the forest products industry and better forest protection techniques.

Mineral exploration and development will be allowed on a controlled basis in about one third of the proposed new parks. We have recommended that hunting, trapping and existing tourism operations continue in areas where they are already significant and where they are deemed compatible with park values.

**Mr. Laughren:** Do you have the Ontario Forest Industries Association blessing on that?

**Hon. Mr. Pope:** The OFIA? They have not really said much about hunting and trapping.

**Mr. Laughren:** I meant the logging.

**Hon. Mr. Pope:** You meet with them as regularly as I do, so you should know.

**Mr. Laughren:** We keep in touch with our constituency.

**Hon. Mr. Pope:** Through our land use guidelines, we were able to take a close look at our provincial parks and ask some tough questions about what we want to see happen within their boundaries over the next several years. As a result, I am confident we have guaranteed their healthy survival.

We decided which uses were permitted in each park, using a strategy that respects the needs of both industry and recreationists. As a result, we have opened the door to an expansion of what is already North America's finest system

of parks. This approach adheres to our concept of multiple-use resource management. It also supports our basic philosophy that Ontario can be neither the exclusive domain of the preservationist nor open to commercial activities whenever opportunity presents itself.

This consultation process was fairly exhaustive, but it is not by any means considered complete, even with the release of guidelines. We have opened up broad channels of communication in our land use planning exercises and we are as committed to keeping them open as the people are to continuing to tell us what they think about these guidelines and about our planning activities.

Reaction to the guidelines has been generally positive. Some critics say the guidelines are too vague. What we are attempting to do, I must reiterate, is to lay down a set of guidelines only. As I stated earlier, the blueprint we have presented to the public is a flexible and dynamic one that will stand up to changing social and economic conditions.

I would like to give members of the committee a few examples of the kind of reaction we had from a few of the special interest groups involved in the planning process.

From the executive director of the Northern Ontario Tourist Outfitters Association: "On behalf of our executive and membership, I wish to thank you for your recognition of our valuable industry and the need to protect those resources vitally important to our viability. You have certainly taken our concerns and comments into consideration in your guidelines."

**Mr. Laughren:** Did you get that one before the involvement in the Obonga Lake Road fiasco?

**Hon. Mr. Pope:** What fiasco?

**Mr. Laughren:** You don't know?

**Hon. Mr. Pope:** No.

**Mr. Laughren:** That is further proof that you need your officials here.

**Hon. Mr. Pope:** When we get into Obonga Lake Road and when I read out the list of meetings that have been held since 1977, and when I read out the telexes and community opinion, which I will be very pleased to do in the course of these estimates, we will see who knows.

**Mr. Laughren:** You are the one who said you did not know there was a problem there.

**Hon. Mr. Pope:** You may have a problem with it.

**Mr. Chairman:** It would be better to save the question until the appropriate time.

**Hon. Mr. Pope:** One tourist operator has a problem with it. They have had a problem with it since 1977 and the consultation process has gone on since then.

**Mr. Laughren:** I think Domtar has played its game with you too.

**Mr. Chairman:** Let us discuss it at a more appropriate time. Would the minister carry on, please?

**Hon. Mr. Pope:** From the Ontario Trappers Association: "In the next few years there will be contentious issues involving land use. However, the mechanics for solving these issues are now in place."

From the Ontario Council of Commercial Fisheries: "We appreciate your decision that no one group has priority over another and that future quotas or reallocation of quotas be decided on a case-by-case basis. Speaking in general terms, you are to be commended for bringing forth a document that essentially condenses the true feelings of most thinking Ontarians."

10:40 a.m.

**Mr. Laughren:** Is the emphasis on the word "thinking" underlined in the original?

**Hon. Mr. Pope:** No. The Canadian Botanical Association commended us for our parks recommendations. "The approach you have taken is far-sighted and courageous and demonstrates an appreciation of natural and scientific values which we sometimes feel is too rare in government."

**Mr. Laughren:** Was that underlined?

**Hon. Mr. Pope:** Just quotation marks.

From the Federation of Ontario Naturalists—one of their reactions: "There is no question that the decisions you worked towards and announced on June 2 regarding the government's commitment to establish 155 new parks marks a watershed in the history of conservation in Ontario. The federation regards both your parks initiative and visit to our annual meeting as signs that our efforts of the past year to build a co-operative relationships have been well met."

From the Ontario Lumber Manufacturer's Association: "As a general observation, the land use guidelines show a degree of compromise that is necessary for the effective application of multiple use."

I believe the entire land use planning exercise

has allowed us to establish a unique relationship with our constituents, the constituents of this ministry, which will serve us well into the future.

Our district land use guidelines provide us with a comprehensive overview of our resources. They indicate uses which would best suit each particular area. They identify opportunities for economic and social development. Equally important, they are by no means carved in stone. They are flexible and subject to change as our needs, knowledge and technical expertise in resource development change, and they will continue to adhere to our notion of continuing public consultation.

I believe we have fostered a sense of increased caring and understanding among the people of Ontario on the management of our resources. This applies both to those who seek a livelihood from our resources and those who look to them for recreation, relaxation and enhancement of the quality of life. I believe we have opened up channels of communication with this entire process that did not exist before.

Land use planning is a long-term commitment to the wise management of our resources. Equally important is our more immediate responsibility to ease short-term economic hardship, particularly in our resource-based and resource-dependent communities.

We have a responsibility to ensure that the current economic slump does not result in the loss of skilled workers who are forced to move to other areas to find work. A successful solution, one that keeps many of these skilled workers on the job in their home communities, is our special employment program.

I began urging the federal government to join us in this special employment program in the fall of 1981 after thousands of forestry workers were laid off. In February 1982 the federal employment minister at the time, Lloyd Axworthy, and I announced the accelerated forest improvement program. This, essentially, was a bridging measure under section 38 of the Unemployment Insurance Act that allowed us to use unemployment insurance funds, combined with money from the provincial Board of Industrial Leadership and Development, to create temporary work for laid-off forestry workers.

Since that original initiative in February 1982, we have seen job-creation initiatives in the mining, conservation authorities, parks, fisheries and wildlife sectors as well.

Special employment projects are open to laid-off Ontario workers normally entitled to collect unemployment insurance. The workers

receive their regular unemployment insurance benefits plus a federal supplement to a maximum of \$240 a week—that was under the 1982 system—and the province contributes an additional 25 per cent of the combined unemployment insurance and federal contribution up to a maximum of \$60 per week. Therefore, the most any worker can earn is \$300 a week.

BILD funds the provincial part of the program and the Ministry of Natural Resources administers it. The province also pays workers benefits and the cost of equipment and materials. Staff from the ministry, on a consultation basis, provide technical assistance.

The ministry's section 38 program was extended in July of this year. So far in this fiscal year, 118 new projects have been approved throughout Ontario. These have employed, or will employ, a total of 1,171 workers, sharing a total of 19,673 weeks of work. Total cost to the province will be \$4.3 million.

Our special employment initiatives have also allowed us to channel extra resources to areas suffering the most from unemployment. Two of the hardest-hit areas last year were Bancroft and Sudbury.

**Mr. Laughren:** How come Mr. Piché gets the bound copy?

**Mr. Chairman:** He got the minister's copy.

**Mr. Piché:** It goes by importance.

**Mr. Laughren:** So you did have these things all printed and bound and everything.

**Mr. Sweeney:** It depends who you are on this committee.

**Mr. Laughren:** Yes, tell me.

**Mr. Piché:** For the record, it also happens to be the last copy. They had to give me that one. There was none left.

**Mr. Laughren:** You guys are so petty.

**Hon. Mr. Pope:** Since the special employment program began, we have approved a total of 52 projects in the Bancroft area alone, employing 456 people who have shared a total of 8,664 weeks of work. BILD contributed \$2.2 million of the total \$4.4-million cost. In Sudbury, we have already sponsored a total of 80 projects, employing 1,322 workers who shared more than 20,000 weeks of work. BILD contributed \$3.8 million of the total \$8.8-million cost.

**Mr. Laughren:** That was almost all land reclamation, wasn't it?

**Hon. Mr. Pope:** A good part of it was, along the travel corridors in Sudbury. There was also some conservation authority work done on

some of the creeks. There was a project of some notoriety on the university grounds. You probably walked over it. It is the walkway.

**Mr. Laughren:** Yes.

**Hon. Mr. Pope:** Remember the problems on that one? Also the hospital in Sudbury was involved in one of them as well.

**Mr. Laughren:** Yes, I think your member for Sudbury (Mr. Gordon) helped out on that one, didn't he?

**Hon. Mr. Pope:** The kind of work carried out under the section 38 program is supplementary to our normal program at MNR and would not otherwise have been completed. The fisheries and wildlife programs have allowed workers to undertake fish transfers, assessment studies on fish and wildlife habitat and population, deer, black bear and moose habitat studies and stream and spawning bed rehabilitation. Workers are in the process, for instance, of constructing a fish-packing plant in Red Lake, analysing the Lake St. Clair commercial fishery, conducting wetland inventories and many other beneficial projects.

Through the conservation authorities programs, workers installed erosion control works, undertook flood mapping, maintained and improved our conservation areas, to mention just a few initiatives.

In the mining sector, the special employment program has been used to help mineral exploration, rehabilitate pits and quarries and clean up abandoned mine sites. In Lambton and Kent counties this year, a special employment project consisting of seismic testing by Can Geo Ltd. of Oil Springs resulted in geological information that could indicate oil and gas potential. This could lead to more exploration, which, of course, would mean more jobs.

The section 38 program has been put to good use in our provincial parks, and I refer the members back to our estimates of two years ago, when this was a current discussion. Previously laid-off workers have been employed doing erosion control work, upgrading park buildings, campsites and picnic tables, landscaping, improving roads and removing hazardous trees.

A second major federal-provincial job creation program, called Canada-Ontario employment development, or COED, was created a year ago, in November 1982. COED is equally funded by the federal and provincial governments and administered in the province by the Ministry of Labour, with funding from the

Board of Industrial Leadership and Development.  
**10:50 a.m.**

To date, there have been 281 MNR-related projects funded through COED. This program is aimed at people on social assistance or those who have exhausted their unemployment insurance benefits. About half of my ministry's projects involved rehabilitative work, parks upgrading, fisheries rehabilitation and the like. As with the section 38 programs, none of these projects would have been possible without COED.

So far, we have been able to regard our job creation efforts as a huge success. Our special employment programs are making a strong contribution to communities throughout Ontario. They provide us with a means of bridging some of the gaps in an economy heavily dependent on resource activity. Most important of all, they allow us to get important work done during a time of government-wide restraint and budget cuts, using financial assistance available from the federal government and project sponsors.

When I took the problem of our laid-off forestry workers to Lloyd Axworthy back in 1981, I had no idea how successful the program would ultimately become. Ontario, I believe, now leads all other Canadian provinces in the degree of its participation in federal-provincial job creation, both in the new COED program and in the continuation of section 38 Unemployment Insurance Act projects.

It is one of the satisfying things to me that our efforts to solve problems for our own resource workers led to something that ultimately benefited all Ontarians as well. That was the improvement of some of the park facilities and the improvement of some of our fish and wildlife habitat throughout Ontario as well as some of the soil rehabilitation work the member for Nickel Belt (Mr. Laughren) referred to earlier.

To get an idea of the kinds of tasks job creation can tackle, and the kinds of benefits the program can offer local communities, we can look at some of the recent projects involving Ontario's conservation authorities.

The job creation program is just one way that Ontario's 39 conservation authorities are reaching out into the community and involving it in the management of Ontario's resources.

In Guelph this past summer, for example, the Grand River Conservation Authority provided 12 workers with a total of 250 weeks of work, preparing a conservation area there for the 1985 Boy Scout Jamboree, which we heard about

from other members previously. They built an entrance and road system for the area, put in a water and sewage system and installed electrical service.

The Metropolitan Toronto and Region Conservation Authority employed three people for a total of 60 work-weeks this past summer to identify and assess wetland areas in Peel, York and Durham regions.

In the Walkerton area, the Saugeen Valley Conservation Authority hired six people and kept them at work for a total of 180 work-weeks, repainting signs, picnic tables and washrooms and generally upgrading local conservation areas.

In Sudbury, the Nickel District Conservation Authority employed three researchers for a total of 78 work-weeks doing fisheries habitat work at the Lake Laurentian Conservation Area. The project ran from May to late October of this year and was a continuation of similar work begun in 1982.

Just east of Cornwall, the Raisin Region Conservation Authority provided 30 workers with a total of 540 weeks of work helping municipalities and farm operators in the area improve municipal drains through such things as brush, tree and stump removal, erosion protection and general cleanup as well as undertaking a municipal drain survey. This project also required some \$58,000 in goods and services from local suppliers, providing a source of indirect employment as well.

These are just half a dozen of some 23 job creation projects by our conservation authorities that have been completed or approved for the current fiscal year. I believe conservation authorities for the past 40 years have been steadily building a strong foundation for the kind of partnership we in the Ministry of Natural Resources are now trying to weave into our entire approach to resource management. Unique in Canada, familiar with local concerns and technically competent, our conservation authorities continue to be the key to water management in this province.

In 1983, some \$20 million was set aside by the Ontario government to help finance flood control projects undertaken by the authorities. Of this, \$1.5 million was to be used for a federal-provincial mapping program to identify areas of potential flooding damage throughout the province.

On September 20, 1983, I was pleased to attend the official opening of the Neebing-McIntyre flood control measures project, completed by the Lakehead Region Conservation

Authority. This project will minimize the effect of flooding caused by inadequate channel capacity on the Neebing and McIntyre rivers near Thunder Bay, and will eliminate most of the spring flooding in the inner-city area.

The project was completed a full year ahead of schedule and met budget projections set down five years ago, which I think is a testimony to the efficiency of our conservation authorities. In 1984, the Lakehead Region Conservation Authority will begin landscaping the area around the project. This project is one example of how our conservation authorities are able to meet both practical resource management goals and the recreational needs of the general public.

While many people think only of recreation in connection with conservation authorities, we can never afford to lose sight of their top priority: flood protection and water management. Flood plain management is a priority with this ministry. As was land use planning, it had been a sorely needed but often neglected policy area, an issue that had been sitting on the back burner for too long.

In September 1982, I sought to change that and to get flood plain management out into the public domain for consideration throughout Ontario. At that time, we issued drafts of fundamental policies for the management of our flood plain lands. These policies were designed to serve our objectives of preventing loss of life and reducing property damage.

The criteria for such policies had actually been in place for somewhere between 15 and 20 years. The last time the public had a chance to offer some input into these policies was in 1977, when the ministry undertook a public review of flood plain management.

Understandably, many people felt they had missed their opportunity to comment on the issue. As a result, I appointed an independent review committee, created by order in council, to conduct hearings throughout Ontario on flood plain management.

The seven-member committee, under chairman James Taylor, started public hearings in 15 centres on September 27, 1983. The committee held public meetings in Welland, Picton, Hanover, Simcoe, Hamilton, Toronto, Kitchener, London, Windsor, Cornwall, Pembroke, Bracebridge, Lindsay, Sudbury and Thunder Bay. The hearings ended on October 26 and the committee is to report its recommendations to me by the end of December.

I cannot overemphasize the importance of

preserving our flood lands. There are too many examples of disasters caused by poor management. I am sure committee members hear of the frequent flooding along the Mississippi River in the United States. Flood plains upstream were filled with cities and pavement and freeways, forcing those who live downstream to face increased erosion and flooding risk every year. It reduced the property values and the property enjoyment of downstream owners.

So while flood plain management may affect private property rights in one way—because limitations must be placed on the uses of flood plain lands—the lack of such management can affect private property owners as well, the ones whose property is ruined or lost, in a much more dramatic way, I submit.

The Taylor committee has been generally well received. In total, it attracted some 1,300 people to its hearings. A month of hearings in 15 centres might not have seemed enough for some people, but we felt the issue had been tossed around for 15 to 20 years, with a 1977 public review as well. I believe it is time we had a public blueprint on the future of flood plain lands and it is time we had a blueprint immediately.

This is all part of the high priority this ministry has placed on its role in water management in Ontario. Because Ontario has such an abundance of water, there is a tendency to take it for granted, but we can no longer afford to do this without suffering disastrous consequences.

11 a.m.

Some of the broader issues of water management are moving to centre stage these days, and many of these issues relate directly to the Great Lakes watershed system. Great Lakes water is seen as a welcome and much needed oasis by some water-hungry American states these days in the midwest and southwest. There are farmers in the midwest who want to use it for irrigation and western coal producers who want to mix it with coal for coal slurry pipelines. We in Ontario and the governors of the Great Lakes states have made it clear that we will not support indiscriminate diversions of water from the Great Lakes, for any reason. Yet I believe the pressure is continuing to mount.

Last June I stated our position at a public hearing of the International Joint Commission. The hearing was one of several sessions held to invite comment on the findings of the IJC's International Great Lakes Consumptive Uses Study Board. We stated our agreement with the board's recommendation against manipulating

existing Great Lakes diversions. As I told the IJC, the Great Lakes are of fundamental importance to Ontario, socially, economically and environmentally. They are worth billions of dollars annually to Ontario's economy.

The IJC board findings show that water consumption from the Great Lakes will rise from 139 cubic metres a second in 1975 to as much as 1,048 cubic metres a second by the year 2035. That is without diversions, by the way. Should that happen, the mean levels of Lakes Michigan, Huron and Erie will drop by as much as 33 centimetres. Lower lake levels would seriously reduce our valuable wetlands, which are already experiencing a lot of pressure, and impair water quality and fish habitat.

Lower levels would also reduce recreational and boating opportunities, with an associated negative impact on our tourism industry, and result in major economic losses to power generation and commercial shipping. I reiterate that this is just the projected increase in consumption without the impact of possible diversions being thrown into the mix.

Another area of concern is the unequal use of water. Projections for future consumption show that the United States will eventually consume four times as much water as Canada, even though the two countries, under the Boundary Waters Treaty of 1909, have equal rights to the use of boundary waters.

We told the IJC that we intend to press for our rights to full use of Ontario waters diverted to Lake Superior from our Arctic watershed through the Longlac and Ogoki diversions. This is because we in Ontario currently do not receive full use of our water for power generation at Sault Ste. Marie, Ontario. Ontario waters are also being used by American interests at that site for power generation.

We also expressed our concern that the Chicago diversion, which moves Lake Michigan water to the Mississippi River, is subject only to United States legislation by Congress and/or a decision of the Supreme Court of United States—and I have never seen this kind of hybrid feature before—with respect to the amount of water that can be put through that existing pipeline system and therefore, because of this arrangement, falls entirely outside the jurisdiction of the Boundary Waters Treaty of 1909. This, as you are no doubt aware, leaves any withdrawals entirely within United States control, subject, of course, to consultation and our continuing concern about this diversion system that we

voice from time to time to the government in Washington, DC.

We have therefore urged the International Joint Commission to closely monitor consumptive uses of Great Lakes water, reject any further request to divert Great Lakes waters directly or indirectly, take steps to increase public awareness of water management issues and take a broader interest in public information.

**Mr. Laughren:** Have you changed your views on this since you were appointed to this ministry, when you wrote that letter to the Premier (Mr. Davis)?

**Hon. Mr. Pope:** No. In fact, that letter was quite accurate in terms of it being an issue. I think it will continue to be an issue and we should be prepared to deal with it as an issue.

**Mr. Laughren:** And you felt the same way then?

**Hon. Mr. Pope:** Yes. That is why I accompanied the Premier to Mackinac Island for the conference on the Great Lakes water system. The Premier put forward Ontario's position, which we assisted him with, that we were opposed to any diversions.

**Mr. Laughren:** I am not implying that you said otherwise, but there was some concern at that time because of the way the letter was worded.

**Hon. Mr. Pope:** Right.

We felt in lands and waters and in the ministry that that was a problem that was occurring. Some people estimate that in the last 10 years the water table in the southwestern states has fallen by as much as 80 feet. We believe the priority of the American federal administration and state and local administrations should be to take adequate conservation measures to protect our existing water supplies as opposed to looking to diversions as a quick answer.

That was the position Premier Davis and all the Great Lakes governors unanimously took. The Great Lakes governors, from their perception of the issue, were opposed to any diversions based on the existing information they had and felt any diversions might have an impact on the potential for industrial expansion. Because water is one of the attractive features that can bring in new industry, the potential for industrial expansion in their states was at stake. Also, if diversions were added to the projected increase in consumption, there might be significant financial impacts on municipalities and their water supply systems along the shores of the Great Lakes system.

All those issues were discussed at Mackinac

Island. There are some discussions going on in Indianapolis this weekend and, through the American federal jurisdiction and through our supporters for this program, we—that is, all of the Great Lakes governors—will be pursuing our point of view in Washington, DC.

**Mr. Laughren:** There was misinterpretation of that letter. Do you wish now you had not made it public?

**Hon. Mr. Pope:** I did not misinterpret the letter and I do not think—

**Mr. Laughren:** No, some people did though.

**Hon. Mr. Pope:** Some people did.

Some people may feel the water diversion issue is too difficult or complex. I think it is up the International Joint Commission and its participants to remove the veil of mystery and technical arguments. I think this issue matters to everyone, every resident of Ontario and every resident of the Great Lakes watershed system. It is every bit as important as the energy issue was in the 1970s.

In Ontario, we are currently preparing a provincial water resources atlas to update our inventory of water supplies and their existing uses.

**Mr. Sweeney:** You talk about the political implications of this. Is there some kind of co-ordination across the country for this whole question of water diversion into the United States? It is not just Ontario. I know the western provinces have some concerns about their river systems.

**Hon. Mr. Pope:** At the Canadian Council of Resource and Environment Ministers meeting in Winnipeg, water diversions were discussed. Two problems are plaguing the Manitoba government right now. One is the security of the supply of water for Winnipeg and Shoal Lake which is a transboundary lake between Manitoba and Ontario. We have been in consultation with the Manitoba government on that. Also the Garrison dam project has been a particular concern to the Manitoba government which has been trying to make its case in Washington.

Quebec had representatives at the Mackinac Island meeting. All the Great Lakes governors were there in person or represented by their lieutenant governors. As well, there is ongoing consultation with the prairie provinces through our federal government on water diversion and water consumption issues. The federal government made a presentation to the IJC hearing when they were held earlier this year. I think

they were in May and June. They appeared at the Toronto meetings of the IJC.

**Mr. Sweeney:** Is there a co-ordinated thrust? That is really what I am trying to get at.

**Hon. Mr. Pope:** Yes. The federal government discussed its position paper with us before it was presented. They supported our position paper as well. So there is co-ordination going on among provinces and also between the federal and provincial governments. The Great Lakes governors have some co-ordination with their federal government, but are more concerned with directly working with us because it is not a Canada versus United States issue. It is an issue for all the bordering states.

**11:10 a.m.**

One of the resource benefits we have in Ontario is fresh water. We are also blessed with significant mineral potential. I think the climate for exploration in Ontario has improved dramatically.

A recent issue of the Northern Miner indicated that Ontario, in the first nine months of this year, set a record with respect to claims staked and recorded that dated back to 1955 in the days of the uranium rush in Elliot Lake. We set that record in the first nine months alone of this year which indicates the extent of the development work going on, mainly related to precious metals.

I think the government and the ministry can take some credit, although much is due to past and current expectations for the price of gold and geological occurrences. There is no doubt about that. We have a formidable number of competitive strengths to work with: outstanding engineering and operating capabilities, political stability, a skilled and productive labor force, and reasonably stable labour-management relations.

Above all, we have the resources and the commitment to improve our technical expertise to develop these resources. That is why the government of Ontario, as part of its program of economic development initiatives under the board of Industrial Leadership and Development, has set up the Ontario Centre for Resource Machinery at Sudbury. The centre is already working with industry to develop new equipment and new technologies to make the mining industry more competitive.

Assistance to private industry involved in mineral exploration or production is also available in a variety of forms. My ministry's Ontario

geological survey has vastly improved this province's mineral exploration data base.

Our Ontario mineral exploration program, or OMEP, has helped finance 276 exploration programs over the past three years. OMEP provides economic stimulation by providing grants to help offset eligible exploration costs. At the end of September, 171 of these Ontario mineral exploration program projects were in progress. These represented a total of \$48.4 million in exploration expenditures and qualified for \$10.6 million in grants and tax credits. Apart from the jobs created, there are indirect benefits as exploration companies buy supplies in Ontario communities.

The small rural industrial mineral development program, a BILD initiative, provided \$3.4 million in grants to five projects in which a total of \$26 million will be invested. Through Gomill, private companies are offered interest-free, forgivable five-year loans towards the construction of custom gold milling and testing facilities. Gomill is also financed through BILD. A year ago, we renewed for a second, five-year term the Ontario geoscience research grant program to stimulate Ontario university research.

In terms of Ontario's mineral resources, the raw potential is there. We see it at Hemlo in north central Ontario where production estimates now stand at about 50 million tons of proven ore. But even raw potential needs help, and the Ontario mineral exploration program supported 60 per cent of the exploration activity for initial discoveries at Hemlo.

Consider the results of our Ontario mineral exploration program investment at Hemlo: Eventually there probably will be three mines and two mills built there with a total capital expenditure of close to half a billion dollars. Hemlo and several other promising finds in all parts of northern Ontario have sparked a claim-staking rush that has already topped the previous record set during the heat of the Elliot Lake uranium rush in 1955. Staking activity is up 300 per cent at this point over the same period last year. Almost twice as many prospecting licences have been issued compared with 1982.

I should add that in 1980 the number of claims recorded doubled from the previous three years' standard, from about 16,000 to close to 32,000 claims in 1980-81-82 and then jumped significantly again in 1983.

Earlier this month, I attended the official opening of the gold mine at Detour Lake northeast of Timmins. By 1987, this mine will

have created nearly 500 permanent jobs and will be one of the largest gold mines in Canada.

There is more positive gold mining news from the Timmins area. The newest gold mine at the Carshaw mine property is scheduled to begin production next January and the Dome mine at Timmins has recently had a \$92-million expansion.

Over at Kirkland Lake, the Macassa mine recently celebrated 50 years of production with a \$30-million expansion. There is also the new McBean open pit gold mine in the Kirkland Lake area. We are increasingly seeing moves to bring old mines back into production as with the dewatering of two older mines in the Beardmore-Geraldton area.

Aside from the gold exploration, we are also seeing increased exploration and assessment work relating to industrial minerals in Ontario, minerals such as mica, talc, silica graphite and calcium carbonate.

The example shown by the Ontario mineral exploration program proves that the mining exploration sector of the economy could use financial assistance and encouragement. This help must come not just from government but from the private sector and the public as well.

Ontario has achieved a reasonable balance of allowing speculative stock promotion by junior mining companies and protecting the public. In March 1983, the Toronto Stock Exchange initiated a new policy which allows junior resource and industrial companies to raise equity capital on the floor of the exchange. Since then eight junior resource companies including six junior mining firms have gained a listing on the TSE and have raised a total of \$12.5 million through issues ranging in size from \$400,000 to \$5.3 million.

The six junior mines are Onaping Resources Ltd., Wasabi Resources Ltd., Stroud Resources Ltd., Roxmark Mines Ltd., CME Resources Inc. and Royal Gold and Silver Ltd. The exchange estimates that 80 per cent of the funds raised through these issues will be spent in Ontario.

I believe this fairly cautious approach by the exchange will encourage investment in good quality junior mining companies without unduly watering down the market as has been the case at the Vancouver Stock Exchange. There was a recent editorial in the Northern Miner with respect to the problems currently being experienced at the Vancouver Stock Exchange.

Within the next two weeks, we will introduce changes to the Mining Act. These changes come after more than a decade of planning and consultation with the mining industry. Many of

them, you will see, reflect our increasing shift to develop co-operative rather than competitive relationships among our resource users.

There are two important changes in the proposed legislation that might be deemed controversial by some in the industry.

One change relates to the filing of work summaries with the ministry. Currently, the industry is only required to file information with the ministry on exploration work submitted for assessment credits. There is no requirement that we be informed of surface exploration work performed on unpatented claims.

Changes to the Mining Act would require the filing of a work summary within 12 months of all work performed. The summary, which will be available to the public, would describe the nature and location of exploration work being done but would not disclose any results. The effect of this change, we feel, will be to make the total exploration effort in Ontario more effective by avoiding duplication in exploration activity. It will permit both industry and government to gain a better handle on what exploration work is being done throughout the province.

The second significant change relates to other users of mining lands. The final title that can be obtained by an explorationist remains substantially the same. In other words, a lease can be converted to a patent once production has been undertaken. However, before a patent is granted the crown will reserve the right to permit other surface uses that do not conflict with legitimate exploration activities.

This change, which is merely an expansion of the principle that is currently applied in the case of timber, gravel and peat, reflects our commitment to the multiple use of our resources. It gives us in government the right to encourage and foster nonconflicting multiple uses of our resource lands. As well, provision has been made for restricting the use of the surface rights over potentially unsafe, inactive mine workings.

Other changes to the Mining Act are essentially fine-tuning of the existing legislation, changes that will contribute to more efficiency in the industry and simpler administration within the ministry.

We have made a number of significant changes in our overall approach to forest fire fighting in the last couple of years. Still, the 1983 fire season reminded us that nature always has the last word. It also provided us with an opportunity to put our new ideas and firefighting techniques to work.

**11:20 a.m.**

In a normal fire season most fires, the major ones in particular, occur by the end of June. By early September the fire season is as good as over. This year was by no means a normal year. Most of the forest fire activity began after the end of June. Our heaviest losses were suffered during the month of September when more than 300,000 hectares, about 67 per cent of the season's total, were lost to forest fires. In total, throughout the entire forest fire season, more than 444,000 hectares were lost to forest fires in 1983. That is more than 10 times the 1982 total.

This year our busiest period was over the Labour Day weekend. That weekend all the variables over which we have no control in forest fire fighting were working against us. We were nearing the end of a long, hot, dry summer. Labour Day weekend brought more hot, dry weather along with lightning and strong, gusting winds. All these factors combined to produce several major fires in an area about 80 kilometres north of Kenora. The largest of these, called Kenora 73, burned 85,000 hectares of forest land.

The number of forest fires started by lightning this year, 1,084 in all, was more than double our five-year provincial average, and 99.3 per cent of the total area lost to forest fires this year was lost to fires started by lightning. That compares to an average of about 57 per cent for the previous five years.

Nearly half our extra firefighting costs, or about \$9 million of a \$20-million bill, was spent in September. By comparison, last year we spent just under \$3 million on extra firefighting costs for the whole season. But after a relatively kind forest fire season in 1982, this year gave us a chance to put some of our newest firefighting techniques to a real test.

As you will all recall, Ontario suffered heavy losses from forest fires in the late 1970s, especially in 1978 and 1979. After a very bad fire season in 1980, when close to 600,000 hectares of forest land in northwestern Ontario were destroyed, we reviewed our approach to forest fire fighting.

We put in place a new overall forest fire management policy and improved our firefighting capability by adding fire crews, heavy water bombers and helicopters to our fire control force. As well, a strengthened system of command and control for fire staff in the field should be in place by 1984.

We have helped fund and staff the Canadian Interagency Forest Fire Centre at Winnipeg since its establishment in 1982. All provinces

now participate in that centre, Quebec being the last one to join in September. It also has some links with the forest fire agencies in the United States. It currently analyses and disseminates information about forest fires throughout Canada. They have a situation board where they plot and list all the forest fires and equipment that is available. Because of the listing of equipment or forest firefighting resources, it enables us to share our resources and equipment with other Canadian provinces and the United States.

For example, this past summer, principally in September, we were able to draw on that extra support system. Manitoba and Quebec provided us with heavy water bomber support, while British Columbia, Alberta and the Quebec private sector lent us pumps and hoses. The United States Forest Service also lent us an infrared fire scanner to map the borders of the forest fires we could not see by visual observation because of smoke.

In the past two years we have been able to develop regular consultation and planning sessions between ministry staff and the forest industry. We have also undertaken new initiatives to integrate forest workers into our fire management program.

Two fire training programs, developed with help from the Ontario Forest Industries Association, have been in place since 1981 and were expanded in 1983. One trains industry supervisors to serve as fire bosses during the early stages of a fire. The other trains forest industry workers as crew members to work with their fire bosses attacking fires when required. Companies conduct their own fire training courses. During the 1983 fire season 170 Ministry of Natural Resources fire crews were assisted by extra firefighters from the woods industry, native groups and other staff from the ministry.

We have also taken some serious steps in the past couple of years towards modernizing and rationalizing our firefighting air fleet. The addition this year of two Canadair CL-215 amphibious water bombers significantly strengthened our firefighting capabilities. The two aircraft dropped 12 million litres of water on Ontario fires during the 1983 season. Their ability to travel at 260 kilometres per hour, fill their tanks with water in less than 10 seconds and stay airborne for up to four hours before refuelling proved very useful.

Early this summer we also announced we had entered into an agreement with the federal government to acquire an additional seven

CL-215s, all of which will be part of a national firefighting fleet. Delivery of these planes is scheduled to begin in 1985.

The CL-215s will gradually enable us to modernize the heavy water bomber fleet. As well, we will continue to count on flying services provided by the private sector during the fire season. This summer our firefighters used eight heavy water bombers including the two CL-215s, five Bird Dog aircraft, 15 leased helicopters and 19 leased detection aircraft.

As important as our ability to fight forest fires is our ability to detect them early. This year we expanded our lightning location system with the addition of systems in our north central and northern regions. We plan further to extend and refine this system in 1984.

The ministry continuously monitors fire weather information collected at more than 125 weather stations across the province. Environment Canada is setting up a network of radar stations across Ontario that will help monitor rainfall. As well, our aviation and fire management centre in Sault Ste. Marie researches and develops programs for fire prediction and behaviour, tests new equipment and control techniques, and works closely with the Canadian Forestry Service and the faculty of forestry at the University of Toronto.

With respect to wildlife, I believe we are making good progress in our major wildlife management programs. In many cases this has been due to the excellent communications and wholehearted co-operation we have been able to establish with the hunting community.

Our decision a couple of years ago to extend our wildlife management unit system to cover the entire province has been a success. The units have served to standardize the information on hunting seasons for all species of game.

Introduction of regulations on trapping in the past year has been well received by licensed trappers, and the co-operation of the trappers in trapper training programs throughout the province has been exceptional.

The selective harvest system we initiated for the annual deer hunt, in combination with new winter habitat programs, allows our deer herds to increase in healthy numbers. This year 18,820 validation tags enabling hunters to hunt antlerless deer—females and fawns—were mailed out to successful applicants in our computerized draw. In many wildlife management units, particularly in north central and northwestern Ontario, all those who applied were granted tags. On a

province-wide basis, a hunter's chance of receiving a tag this year was better than one in three.

This year's antlerless deer tag draw was held on August 26. A total of 48,529 hunters applied for a validation tag, 43 per cent more than last year's total of 33,974. About 76 per cent of those who applied this year specified a second choice of wildlife management units to hunt in.

A selective harvest system for our moose herd was approved by cabinet last March and our first draw for bull/cow validation tags was completed in early July. The rationale behind this program is an important one. Ontario's moose hunting industry accounts for more than \$90 million in annual tourist revenue. But the moose population has been declining in recent years because of a combination of factors, including overharvesting, predation, poaching and a general decline in moose habitat.

In 1975 aerial surveys showed the province's moose population had declined from 125,000 in 1968 to 80,000, a drop of 35 per cent in less than 10 years. Such a decline not only cut down on the number of moose hunting and viewing opportunities, but also threatened seriously to reduce the economic benefits of our annual moose harvest.

**11:30 a.m.**

The selective harvest program was designed and implemented through close consultation with tourist outfitters and the moose hunters themselves. After the July moose hunt draw, hunters were advised whether they had been successful in their bid to obtain one of the 38,040 bull/cow validation tags allotted for the 1983 season.

Almost immediately after the tags were sent out, we discovered an error in the computer program that had been used in the draw. This program was designed by a private computer firm contracted by the ministry following public tender to conduct the draw and the mailing. The error occurred as a result of feeding names along with birthdates into the computer to ensure no double applications were made. In some of our wildlife management units, however, this resulted in a strong bias towards older hunters. This was particularly noticeable in wildlife management units where a large number of hunters applied for a small number of available moose tags.

To be completely fair to all our moose hunters, we decided to hold a second draw immediately and put all of the original 87,310 applicants' names through the computer again. The computer program used in the second draw

was a corrected one, bug-free and without bias. The same quotas were applied and no new applications were accepted.

This resulted in an additional 12,544 tags being issued, in addition to the 38,040 already sent out. Those who had been successful in the first draw, and whose names also came up in the second draw, did not receive two tags. They just kept the one they had. Some people, of course, were unsuccessful in both draws, about 36,000 hunters out of the 87,310 who applied.

The computer error was upsetting at the time, but by no means a disaster. Since it was the fault of a private firm experienced in the area and hired through public tender, it was an error totally beyond our control. We did the fairest thing possible at the time with no real damage to the original goals of our moose selective harvest program. Tag quotas for each district have been frozen at the same level for the 1984 season and adjustments as required will take place in 1985.

Based on estimated success rates, the additional 12,500 tags issued will lead to a harvest of an additional 750 moose.

**Mr. Laughren:** You mentioned the inventory of moose, that the population had declined from 125,000 in 1968 to 80,000 in 1975. Do we know what the population is now?

**Hon. Mr. Pope:** Our estimates are it is between 80,000 and 90,000.

**Mr. Laughren:** Is it still that low?

**Hon. Mr. Pope:** Yes. That is by no means a universally accepted figure, but our aerial surveys show there has been some improvement but not enough to warrant going with the old system.

**Mr. Chairman:** Going with the old system: blast away.

**Mr. Laughren:** A gun in every holster.

**Hon. Mr. Pope:** Even with the second draw, we were still able to reduce the number of hunters licensed—

**Mr. Laughren:** The Ronald Reagan of the north; a gun in every holster. Did you hear that line about Ronald Reagan? He says that a gun in every holster and a pregnant woman in every kitchen will make America a man again.

**Mr. J. A. Reed:** Mr. Chairman, I should point out that the hour is fleeting and we are rapidly going to sleep.

**Mr. Laughren:** I support that motion.

**Hon. Mr. Pope:** What do you mean by going to sleep? What an attitude.

**Mr. Chairman:** Let the record show the minister is stirring his coffee.

**Hon. Mr. Pope:** Even with the second draw, we were still able to reduce the number of hunters licensed to hunt bull and cow moose from 86,000 in 1982 to about 50,000 this year. This still represents a dramatic reduction and enables us to meet our original goal of conservation of the moose population.

I think both these selective harvest programs illustrate the excellent rapport we have been able to establish with our hunting and outfitting communities. We are hoping to achieve the same kind of success with hunters of black ducks.

In mid-September, I appealed to duck hunters to reduce their harvest of black ducks voluntarily. This was an attempt to stem a serious population decline of about 25 per cent over the past 15 years. This is the path we hope to follow in the future—make hunters aware of a serious population problem, gain their co-operation and then enlist their help and ideas when drafting any necessary changes to our regulations. I think it is an approach that has worked in the past and I am confident it is going to work as we face wildlife management problems together in the future.

We have also been busy managing wildlife that is not normally considered to be game. Our efforts to reintroduce the peregrine falcon are perhaps among the best known of these projects. This year we successfully released three female peregrines from a site at Upper Canada College with, I might add, a great deal of help and interest supplied by the students and staff of the college. When last seen, the birds were flying and hunting in the vicinity of tall buildings near the waterfront.

We have also been working to replace feral mute swans with the less aggressive native trumpeter swan, which biologists consider once inhabited our southern waterways.

We have also co-operated with the Canadian Wildlife Service in a first-year effort to reintroduce the bald eagle into southwestern Ontario where its numbers were seriously reduced as a result of pesticide contamination of its food supply, nest destruction and poaching.

Endangered and threatened plants are also receiving attention in our nongame program in order to ensure that precious genetic material is not lost. In the case of the Kentucky coffee tree, a threatened species, a project at the St. Williams forestry station is attempting to do much more

than protect last survivors. Seedlings of this tree species are being grown at the station for the purpose of transplanting in suitable habitats. The project has every indication of success. Another project is under way in which a university botanist is growing seeds from an endangered plant, the small white lady's slipper orchid.

On the matter of defining the status of potentially endangered species, Ontario has been exceptionally busy. From 1977 through 1983 this ministry has prepared 16 status reports, 12 of which have been submitted to the Committee on the Status of Endangered Wildlife in Canada. This is more than double the reports produced by any other participating province or territory. Three more reports will be prepared by the end of March 1984. This committee, of which Ontario is a member, provides a national overview for this process and provides expertise from federal, provincial and territorial governments in Canada and from the academic community to review reports.

We are also studying the feasibility of introducing wild turkeys into selected locations of southern Ontario on an experimental basis. This highly valued game bird once roamed the oak forests of the south, but disappeared because of drastic changes in its habitat.

Over recent decades the United States has been striving to develop a new strain of this species that will remain wild and secretive, but will be able to survive on developed lands. A hardy bird has been produced which will withstand our sometimes severe southern Ontario winter conditions. We intend to make this a co-operative project. The Ontario Federation of Anglers and Hunters and the Federation of Ontario Naturalists have indicated interest in providing material assistance.

With respect to provincial parks, I believe that over the past years Ontario's provincial parks system has been viewed as one of the best in North America, if not the best. However, since I became minister I found I was receiving letters from park users who said their vacations had been disrupted by less considerate campers.

This spring we put up signs at all park entrances advising campers to guard against excessive noise which might disturb fellow campers. I instructed park staff to make sure that everyone heeded this warning. As a result, our parks are more peaceful and enjoyable for all users, and specifically family users, whom we are trying to encourage to come to our parks habitually.

The parks' staff are also becoming more innovative in finding ways to provide quality recreation during a time of constraint. I am particularly pleased that we have found creative ways to finance parks maintenance and repair projects, despite the fact that in past years parks' budgets have been flat-lined. In this fiscal year alone, about \$2.6 million has been allocated for park maintenance and repair through the section 38 job-creation program I mentioned earlier. This figure includes a \$1.25-million BILD contribution. No doubt we will have to be equally innovative in the future.

**11:40 a.m.**

This progress is reflected in higher park attendance figures. This past summer camping at our provincial parks was up by 1.3 per cent, while daily visits jumped by almost 10 per cent.

We are about to embark on a program to improve recreational boating in Ontario. Recent surveys have shown that there are more than one million recreational boats in our province. More than 40 per cent of Ontario residents participate in some form of boating at least once a year. It is clear that boating is a major source of recreation in this province, yet, to date, boating and water-based recreation have been surrounded by a jurisdictional maze.

Last month cabinet designated the Ministry of Natural Resources as the lead ministry to design and deliver a recreational boating program. The office of recreational boating that we will soon establish will provide that much-needed provincial focus for all matters related to boating. We are currently developing the details of this program and expect to make further announcements shortly. I can, however, outline some of the major initiatives that are planned.

For instance, the officer of recreational boating will administer the major marina development program that is financed through the Board of Industrial Leadership and Development. To date, BILD has allocated a total of \$10.4 million for the development of marinas and associated facilities.

Our recreational boating program will also promote a campaign to improve boating safety in our province and it will create a program focus for my ministry's existing activities as a liaison between the boating public and the boating industry in Ontario.

Under the auspices of the new office of recreational boating, we have created an interministerial committee on recreational boating to look at a wide range of boating-related

issues. During the coming year we will be moving forward with this program, in consultation with the individuals, groups and agencies that are involved, and we will be asking for their guidance and input.

Close consultation with user groups has also worked well for us in devising a set of changes governing the use of Ontario's crown land. Our province is more than one million square kilometres in size and almost 90 per cent of it is crown land. Managing this huge public domain is an enormous responsibility and one this ministry takes very seriously.

We established the tone for the future management of our crown land in our district land use guidelines. The principles set down there were for multiple-use management that would not only provide economic opportunities, but would also protect our valuable resources. This year, 1983, has been an eventful year in crown land management, especially with regard to changes in regulations governing the recreational use of our crown land by nonresidents.

In September, new regulations which will affect all nonresident anglers fishing throughout Ontario were announced. These new province-wide regulations, which are essentially an increase in the rates for nonresident angling licences, will take effect on January 1, 1984. Next year Canadian visitors from outside Ontario will pay \$6.25 for an Ontario fishing licence, up only slightly from \$6. Visitors from outside Canada will pay \$20 for our new 21-day angling licence, which they can renew for an additional three-week period for \$10.

Cost of the existing four-day, nonresident angling licence has increased to \$10 from \$8. A seasonal licence will now cost \$30, up from \$15. Also, last week cabinet approved a new \$40 nonresident seasonal fishing licence for families.

All visitors to Ontario, both Canadian and non-Canadian alike, will pay more to fish for certain sensitive species. Special stamps to fish for muskellunge and lake trout will each cost \$5 per season. These two species of fish are highly sought after and are under pressure in some areas. This step was, therefore, necessary in order to protect them.

The new rates will simply ensure that visitors who use our resources more extensively will pay more for the privilege. Our research indicates that most visiting anglers make one visit to Ontario per year and stay less than 21 days. With the new rates, they will have to pay only \$5 more for a three-week stay.

Based on estimated sales, the new angling

rates should raise an additional \$2.6 million in revenues in the first year alone. Yet the bulk of the costs of our fisheries management program will still be met by Ontario taxpayers. At present, about \$42 million is spent in Ontario annually on fisheries management. The provincial contribution to that is \$27.33 million and the federal contribution is approximately \$15 million. At present, only about one fifth of this amount, or \$8 million, comes from nonresidents, while the remaining \$34 million comes from, as I said, Ontario residents.

Other changes affecting crown land recreation are being applied within a pilot study area only in northwestern Ontario. The pilot area is made up of seven Ministry of Natural Resources districts: Kenora, Fort Frances, Sioux Lookout, Dryden, Red Lake, Ignace and Atikokan. I would emphasize that these changes in crown land recreation are being applied in northwestern Ontario only, on a pilot project basis.

This fall, new regulations designed to reduce pressure on our deer and bear populations were introduced for the pilot area in northwestern Ontario. These new rules will require all visitors from outside Ontario to stay at a recognized tourist establishment while they are hunting our deer and bear, unless they own property in Ontario, are staying with an immediate relative or are using the services of an approved Ontario guide.

As well, we will soon announce new rules for nonresidents camping on crown land in the pilot project area in northwestern Ontario. Visitors will pay a daily \$3 permit fee to camp on crown land and some areas in the pilot project area will be zoned to prohibit nonresident camping.

There are more changes in the works. Over the past several years we have heard much concern about nonresident anglers who fish in Ontario's border waters but operate from a United States base. We would like to somehow encourage these visitors to stay in Ontario or to pay for the privilege of fishing in our waters.

Overall, the changes in our crown land regulations, from fishing to camping to hunting, are a direct response to public concerns voiced over the past 15 years and they are the product of extensive public consultation and negotiation.

In late spring of this year, the ministry conducted a series of open meetings in the northwest to deal specifically with all these new proposals in the pilot project area. As I mentioned before, the changes were also discussed as part of our district land use guidelines

exercise, another program that involved extensive public input.

In late July and early August of this year, my parliamentary assistant Paul Yakabuski held crown land camping advisory committee hearings in the communities of Fort Frances, Kenora, Dryden and Sioux Lookout to obtain public input.

**Mr. Laughren:** Speaking of himself, where is Paul? You know, I don't ever remember him appearing at these estimates committees and he is the parliamentary assistant.

Interjection.

**Mr. Laughren:** I know he cares, Mr. Chairman. I just wonder where he is.

**Hon. Mr. Pope:** He is working.

**Mr. Williams:** He is looking after the shop.

**Mr. Chairman:** Somebody has to look after the shop.

**Mr. Laughren:** His own shop, yes.

**Interjection:** More importantly, is he of any value to you in your ministry?

**Mr. Williams:** He certainly is.

**Hon. Mr. Pope:** Maybe I will repeat this. In late July and early August of this year, my parliamentary assistant Paul Yakabuski held crown land camping advisory committee hearings—

**Mr. Riddell:** Are you saying that tongue in cheek or are you serious about this?

**Mr. Chairman:** This is the printed word here.

**Hon. Mr. Pope:** —in the communities of Fort Frances—

**Mr. Laughren:** I'm happy for Paul.

**Hon. Mr. Pope:** —Kenora, Dryden and Sioux Lookout to obtain public input.

As well, in an effort to resolve border water angling controversies—

**Mr. Laughren:** I think this period is a peak, too.

**Hon. Mr. Pope:** I am going to show them the chart that you keep referring to.

**Mr. J. A. Reed:** Let him finish.

**Mr. Laughren:** He is determined not to finish before 12:30, Julian. He is pacing himself accordingly. Who set you up this year?

**Mr. Chairman:** Carry on, minister. Please ignore the interjections.

**Mr. Ruston:** I want to get at that turkey shoot.

**Mr. Laughren:** Julian, don't you want him to finish this today?

**Hon. Mr. Pope:** As well, in an effort to resolve border water angling controversies, we have been involved this year in a series of successful meetings with officials in the state of Minnesota.

The Northern Ontario Tourist Outfitters Association, for one, has endorsed the changes in nonresident angling rates. I would like to read part of NOTOA's comments as a result of our new angling rules. "With the province's increased ability to manage and maintain our high quality sports fishery, it is the sports fishermen who fish in this great province who will reap the rewards in the years ahead."

11:50 a.m.

**Mr. Laughren:** If I were the minister I would read critical comments into the record, too. You never do.

**Mr. Chairman:** He is not finished yet.

**Mr. Williams:** He cannot find any.

**Mr. Laughren:** He could dig up a couple of my old letters.

**Mr. Ruston:** Let us have a little order here, Mr. Chairman.

**Mr. Laughren:** I'll support that motion.

**Hon. Mr. Pope:** We are confident that the regulations and fees we have established are fair and equitable. We believe that by applying many of these new rules in the pilot area in northwestern Ontario only, we will be better able to gauge their effectiveness and remain flexible to any changes.

More importantly, we are confident that in the long run these new rules will provide a better recreational experience for Ontarians and visitors alike. Indeed, by protecting our fish and wildlife, people who look to Ontario for a unique outdoor experience can continue to enjoy what we have to offer for a long time to come.

Another major initiative to protect Ontario's fishing resource turned into one of the most controversial issues I have faced as minister. I am referring, of course, to the native fishing agreement.

When we signed that agreement 11 months ago—and to this day—we were immensely proud of the kind of achievement it represented: a pact with the native people of Ontario, hammered out over many months of negotiation, that would involve them for the first time in the management and protection of Ontario's fishery. I remain proud of that agreement.

I am convinced that it is the best way my ministry, the Indian people of Ontario and other

users of this province's fishery resource can ensure that the fishing we all enjoy so much today will be available for generations to come.

The idea for such an agreement was introduced by the Indian people of Ontario themselves in the fall of 1981. They objected, and had since 1979, to our declared policy of leniency when enforcing fishing regulations where they were concerned. Far too often, for them leniency spelled inconsistency in the way the rules were applied. They wanted to see their rights and obligations spelled out clearly.

We saw this as an excellent chance to negotiate an agreement with the native people that would secure their participation in fisheries management. We believed an agreement would help us keep closer tabs on various patterns in the fishery, something that had been impossible, yet still would recognize a continuity of certain traditional rights and privileges for the native people.

The work began in February 1982. Throughout that year, representatives of the federal and provincial governments and the grand chiefs of Ontario's Indian organizations laid down the details of the native fishing agreement. On December 17, 1982, the province and representatives of the status Indians of Ontario signed the agreement. All that remained was for Ottawa to add its approval.

As the federal government had expressed no clear-cut objections to the agreement, and as it had kept five full-time employees working on the negotiations for a full year, we all took federal approval for granted. The agreement would then be ratified by individual bands across the province.

This was not to be the case. Both of the federal departments involved, Fisheries and Indian Affairs and Northern Development, seemingly shelved the entire agreement. It was difficult to discern the exact federal attitude towards it; communication was virtually nonexistent, the position vague at best. We continued to hope for federal approval, that Ottawa would in due course sign the fishing agreement it had helped design.

**Mr. Laughren:** I think you are being kind to them.

**Hon. Mr. Pope:** As 1983 progressed, the ministry and the Indian people continued to abide by the agreement to negotiate and the fact that we had signed. Ottawa, the critical third party, maintained its hands-off approach and those outside the negotiations constantly criticized the deal.

Critics called the pact a giveaway of Ontario's fishery resource. They failed to recognize that it gave us something we had never had before: a chance to allow the Indian people of this province to play their very important part in helping to meet the responsibilities for conservation that we all share.

**Mr. J. A. Reed:** Some critics.

**Mr. Laughren:** Some in your own party, Julian.

**Mr. Chairman:** Try to avoid interrupting the minister. I think we will make it if there are fewer interjections.

**Mr. Laughren:** On a point of order: I was interrupting Julian, not the minister.

**Mr. J. A. Reed:** Some day I will give a ministerial statement, Floyd, and you can interrupt me.

**Mr. Laughren:** I can hardly wait.

**Mr. J. A. Reed:** It will not be 81 pages.

**Hon. Mr. Pope:** Are you moving? You are crossing the floor. Is that what you are announcing?

Recently, the native fishing agreement has been dealt what some people consider a fatal blow. Last spring, in Espanola district near Sudbury, two Manitoulin Island Indians, Joe Hare and Francis Debassige, were charged and convicted of gill-netting fish in Lake Manitou. On September 9 of this year, Judge C. T. Murphy overturned that conviction, citing article 6 of the Manitoulin agreement of 1862, which gives the Indian people of the area the unrestricted right to fish.

The facts of the case and Judge Murphy's reasons for judgement are fairly lengthy and I will not take up the committee's time by reading them in their entirety. However, there are some aspects of the case and the judgement which warrant description.

The two Indians charged had been fishing with a gill net, contrary to the Ontario fishery regulations. They had also transported the fish caught in a manner which contravened the regulations. The waters and land which form Lake Manitou were surrendered by the Indian people by virtue of the Manitoulin Island Treaty signed in October 1862.

As some of you may know, Lake Manitou is widely known as a source of lake trout and is a primary supplier of lake trout eggs for the provincial fish hatchery at Sandfield on the shore of the lake. All waterfront property on Lake Manitou is owned either privately or by

the Ontario government. The lake is fished by camp owners and sport fishermen. The West Bay Indian reserve, where Mr. Hare and Mr. Debassige live, is located several miles from the lake. No part of the lake touches the reserve.

Neither Mr. Hare nor Mr. Debassige planned to sell the fish for commercial purposes. However, both claimed immunity from the Ontario fishery regulations under the 120-year-old Manitoulin Island Treaty. They argued the treaty gave Indians historical rights to fish without restriction and that these rights are still in place today.

We have lodged an appeal of this decision with the Supreme Court of Ontario. We shall continue to attempt to gain reasonable control of the fishery resource, while continuing to respect established Indian resource use patterns. Our intention has always been to keep the issue out of the courts where the debate promises to be long and costly. Rather, we want to keep the issue on the negotiating table, with the Indian people and the government of this province working together as full-fledged partners in resource management.

Members of the committee are no doubt familiar with the expression, "fiddling while Rome burns." We feel this setback is due in large part to Ottawa's inordinate delay in signing, or even dealing with, Ontario's native fishing agreement. This agreement could have allowed us to control fishing activity which was the issue in this court case. With the agreement, we would not have lost the case.

Interjections.

**Mr. Williams:** Hear that?

**Hon. Mr. Pope:** We have sought to alleviate confrontation between my ministry and the Indian people of this province. We have sought to recognize the needs of the Indian people while preserving our ability to manage our resources for the benefit of all user groups. We have sought to protect our fish stocks, to improve biological information on our fisheries and to allow the Indian people a larger role in the management of this resource. All the while we have carefully avoided the possibility that we might overstep our legal authority with regard to the rights of our native people.

With the continued support of the people of Ontario and our continued commitment to the idea that the partnership in resource management must include all Ontarians, we are dedicated to further pursuing these goals.

One resource management partnership of

which we can be particularly proud is the community fisheries involvement program. During the past two years, hundreds of Ontario anglers and outdoor enthusiasts have donated time, labour and equipment to maintain and improve the province's fishery resources under this program. The community fisheries involvement program is a unique opportunity for public and government to work together. The ministry offers expertise and assistance for the projects. The public volunteers time and labour or donates equipment to the ministry for projects such as the renovation of fish culture stations or the transportation of fish for stocking.

Under the program, many valuable and necessary projects for habitat improvement, stream rehabilitation, facilities improvement and more, have been completed. For example, in the program's first year, an estimated 3,300 work days of volunteer labour were provided for the 22 approved projects. In the present fiscal year, an additional 25 projects have been approved.

## 12 noon

Interest in the program is growing among private angling groups. Many new community fisheries improvement projects have been submitted for approval. To publicize the program more effectively, the ministry has produced a new exhibit display, an information pamphlet and an audio-visual show.

Under this program, the ministry's Ringwood fish culture station has received extensive alterations. The work was made possible by approximately \$100,000 worth of equipment and materials donated by the Toronto Star's Great Salmon Hunt and the St. Catharines Game and Fish Association.

The remodelling and modifications to the Ringwood station included adding wells and aeration and cooling equipment to improve water quality and quantity. The expansion increased the incubation and early rearing capacity of the station, and other facilities are under construction.

The station is now able to produce more and healthier coho and chinook salmon. When the work is completed, the station will be able to provide all our stocking targets; some 250,000 coho yearlings and 450,000 chinook fingerlings a year.

I have mentioned ways in which we are trying, through our land use planning guidelines, to resolve potential conflicts between our sport and commercial fishermen. I mentioned some of the steps we were taking to ensure a healthy future for our sports fishery. I have also men-

tioned our attempt to involve Ontario's native people in the management of our fishery resource, both commercial and recreational.

Now I would like to discuss the progress we have made towards modernizing our commercial fishery.

Two years ago, my ministry and the commercial fishing industry agreed that Ontario's commercial fishing regulations were out of date. A committee was appointed to recommend a way to manage our fisheries that would be simple, rational and direct.

We asked the Ontario Council of Commercial Fisheries to nominate to this committee members who could represent the industry from both a provincial and regional perspective. The committee reported to Bill Foster, the deputy minister.

I hardly need to reiterate the importance of the new recommendations. As you all know, the commercial fishing industry is vital to our province's economy. In 1981, commercial fishermen harvested \$32-million worth of fish. As well, about 80 per cent of the fish caught in Ontario are processed right here. That translates into a lot of jobs. We also export 90 per cent of our catch. That is another important contribution to the economy. Prices recently have been weak.

The report of the deputy minister's committee was completed in April 1982. Since this report deals with the world's largest freshwater fishery, I believe it is as important as the Pearce report on the Pacific Coast fisheries and the Kirby report on the Atlantic fisheries.

In January, I set up a small advisory and liaison group between my ministry and the commercial fisheries council to deal with the various recommendations of the deputy minister's report and their implementation.

This past summer, each of the council's associate groups was asked to nominate members to local committees, which were to recommend the basis upon which individual quotas were to be set. The ministry named five negotiators to deal with these local groups. Early this fall, these negotiators submitted their recommendations to me.

In mid-October, I met personally with the executive of the commercial fisheries council to discuss the recommendations and their implementation. They are due to get back to me very shortly with a view on how they would like to see modernization proceed.

I feel that a commercial fishery administered

in the way the committee has recommended will be a vast improvement over the current system.

Here are just a few of the major recommendations we are hoping to implement.

Commercial catches would be directly managed through the allocation and control of individual catch quotas. Also, many of the indirect ways of controlling harvests that we now use, such as restrictions on gear, would be reviewed and removed where possible.

A compensation system would be created to reimburse fishermen who decide to leave the fishery should their catch quotas be reassigned to other user groups, and fishermen would be required to pay an annual levy to support the cost of managing the fishery properly.

I am concerned that in our negotiations we ensure that fishermen and their descendants have the opportunity to continue this traditional industry as much as they have in the past.

We have to iron out the question of demerit points and whether in certain situations such a system should cause automatic suspension or cancellation of licences.

On the whole, however, we are moving ahead with the implementation of the committee's recommendations. It is a complex task that requires the co-operation of both government and industry.

It was our intention a year ago to have all changes made and in effect by 1984. This may not be totally possible. Certainly, once the Ontario Council of Commercial Fisheries presents us with its reaction to the latest round of negotiations, we will be well on the way to having a blueprint in hand for the modernization of our commercial fishery.

But the changes the report recommends involve changes to the Ontario fishery regulations. That is a piece of federal legislation that will take—we are told—at least a year to move through Parliament. It also involves changes to the provincial Game and Fish Act—a legislative procedure that could take several months.

Still, we are well on the road to modernizing our commercial fishery. We have taken great steps forward in devising a plan for that modernization. Once in place, the new system will offer many advantages to our province's commercial fishermen and the other users of our valuable fishery resource.

When we look back on it, this fiscal year will be regarded as a landmark in the history of Ontario's commercial fishery.

The close consultation we have had with the commercial fishing industry is an excellent

example of the kind of partnership we in the Ministry of Natural Resources are trying to achieve with all of our constituent groups.

Another excellent example of this same kind of co-operation is found in the forestry area, particularly with the forest management agreements we are signing with the industry across Ontario.

We have signed 17 agreements so far. Our goal is to have approximately 30 forest management agreements, covering virtually all of Ontario's major forest harvesting operations by the year 1985. Through these agreements, the forest industry itself will be conducting between one half and three quarters of all forest regeneration work in the province by the early 1990s.

The companies agree to accept responsibility for regeneration and other management practices, as spelled out in each agreement. If they fail to comply, their harvest rights are reduced accordingly.

The FMA program guarantees a continuous supply of forest products, by ensuring that our forests are harvested and regenerated on a sustained-yield basis. My ministry funds 60 per cent of the total cost of each forest management agreement, with help from the Board of Industrial Leadership and Development. The rest of the money comes from industry.

Each agreement sets out areas that have not been satisfactorily regenerated, and indicates if regeneration is possible. If it is, the company undertakes this regeneration at the rate of five per cent a year over the 20-year life of the agreement.

The end result of our forest management agreement program is a dramatic increase in forest regeneration.

**Mr. Laughren:** How do you know that?

**Hon. Mr. Pope:** Most important, these agreements make those in the forest industry directly responsible for the forests on which they rely and which benefit them directly.

**Mr. Laughren:** The sentence does not make sense. I am not quarrelling with the thrust. I am saying it does not make sense. How can you say the end result is a dramatic increase, when there is no end result yet?

**Hon. Mr. Pope:** In 1982, we achieved an important landmark in our regeneration efforts, with the help of Ontario's forest industry. We are now planting two trees for every one that is harvested—the end result. This should not be

taken absolutely literally. This is not to say that whenever a tree falls in Ontario—

**Mr. Laughren:** He hastens to add.

**Hon. Mr. Pope:** —we run to the exact same spot and plant two in its place. It is neither feasible nor desirable to regenerate every acre of harvested forest in Ontario, but it is desirable to keep our stock amply replenished.

**Mr. Laughren:** That is not what the Premier (Mr. Davis) said.

**Hon. Mr. Pope:** Ottawa has recently indicated a willingness to lend its support to such a regeneration effort. The federal government has stated that it wants to see all Canada's forests managed on a sustained-yield basis by the turn of the century.

Private entrepreneurs have been able to help with Ontario's reforestation efforts. During this fiscal year, we will produce more than 122 million seedlings in Ontario for planting next year. My ministry already has 20 private growers under contract, many of them in one-industry communities. It is creating much-needed employment in the north. More contracts are under negotiation to provide for further increases in all-important seedling production.

We are also seeking ways to more actively involve private land owners in our efforts to rebuild our forests, since 10 per cent of Ontario's total productive forest land is privately-owned forest land.

Last fall, we issued a discussion paper entitled *Private Land Forests: A Public Resource*, and earlier this year we invited members of the public to attend open forums to discuss private land forestry.

All of these discussions and reviews will help us to create a policy for private forests in Ontario. Already, through our Woodlands Improvement Act program, we are assisting more than 10,000 land owners to develop woodlots on their property.

**12:10 p.m.**

While we must make the best use of the forests we have now, we are also striving to create better forests for the future.

In partnership with the forest industry and in co-operation with the university community, we have set up the Ontario Tree Improvement Council which is to be based at the University of Guelph. The council held its first meeting earlier this month. Its job will be to co-ordinate industry and government efforts to develop fast-growing trees of better quality.

Ontario already leads the way in its produc-

tion of the fast-growing hybrid poplar. These trees grow up to four times as fast as conventional poplars and in some cases up to three metres a year.

**Mr. Laughren:** You know, I saw one that was taller than I was at the end of the first year. Is that not incredible?

**Hon. Mr. Pope:** Are you talking about a spruce tree? It is either a spruce tree or a trembling aspen; I do not know which.

**Mr. Chairman:** Meanwhile—

**Mr. Laughren:** Can you stick to the script please?

**Hon. Mr. Pope:** The hybrid poplar, as our experiments have shown, can be used for pulp and paper and reconstituted particle board. We are also looking at ways to improve other key species, such as spruce and jack pine. To do this, researchers are using advanced cloning techniques on tissue samples from trees with promising characteristics.

This work just might provide us with a few shortcuts in our regeneration efforts. Using the tiny cells from a spruce, for example, researchers can produce plants for cross-breeding purposes.

But the job of research is a monumental one—too large for government to handle alone. We are looking for a more broadly-based research plan, with a greater role being played by universities and by industry.

**Mr. Laughren:** Through a hidden agenda.

**Hon. Mr. Pope:** We will be looking for new and better ways to involve the community and industry in our research efforts. To succeed, research must closely tie in with what others are doing. To multiply the benefits, we will be working more closely with industry and with universities.

This past summer, we announced that the ministry, with assistance from BILD, will provide \$2.6 million in grants—

**Mr. Laughren:** You do not mention maple at all.

**Hon. Mr. Pope:** Maple is not left out of this—to universities over the next five years to support research in the fields of fisheries, forestry and wildlife. Special consideration is being given to projects which have support from industry and private groups.

This is all part of what we have called the "new politics" of resource management in Ontario. It involves the co-operation of industry, small business and other arms of government.

Another of our extensive public consultation efforts this year involved our efforts to obtain approval under the provincial Environmental Assessment Act for our forest management activities. This includes activities undertaken on crown land both by the ministry and by private industry working within our forest management agreements.

All public sector activities in Ontario, municipal and provincial, must receive approval under the act unless they receive specific exemptions. To date, we have received a series of interim exemptions for our forest management programs. We have prepared a document which we hope will lead to overall environmental approval of these management procedures.

We are seeking what is called a class environmental assessment for all of our forest management programs, rather than individual assessments for each activity. But we are not yet ready to submit our document for approval under the Environmental Assessment Act. In recent months, we have been involved in an intensive round of what is called "presubmission consultation." This is where we present and explain our draft document to all interested parties for their comments and reaction.

Our latest exemption under the Environmental Assessment Act expires on December 31—

**Mr. Laughren:** Presubmission consultation?

**Hon. Mr. Pope:** That is the Ministry of Environment terminology. What is your problem?

**Mr. Laughren:** It is not a problem. I am just saying that Gordon Walker's speechwriters would not have used that expression. They would have thought of a better word than that.

**Hon. Mr. Pope:** Probably.

**Mr. Laughren:** You only get what you pay for, you know.

**Hon. Mr. Pope:** You know I write my own speeches. Is that an indication of—

**Mr. Laughren:** You did not write this. I was going to recommend that you should start, as a matter of fact.

**Hon. Mr. Pope:** Do you want me to start again?

**Mr. Chairman:** We are almost finished. We have about four pages left here, if we can just keep right on rolling.

**Mr. Laughren:** Tell him to stick to the script and we will get through.

**Hon. Mr. Pope:** Our latest exemption under the Environmental Assessment Act expires on December 31. On September 26 and 27 of this

year, ministry officials and I met with the chief executive officers of 12 forestry companies, as well as the representatives of key interest groups also concerned with activities of the forest industry, to brief them on our submission. Copies of the draft document were also available to the general public at all our district and regional offices.

In October we held four seminars to outline our proposals further. Many groups attended these seminars including representatives of the federal Department of the Environment and Department of Indian Affairs and Northern Development, 10 provincial government ministries, two provincial government agencies, the Association of Conservation Authorities of Ontario and Ontario Hydro, as well as the Federation of Northern Ontario Municipalities and about three dozen other groups.

We expect their comments by the end of this month and we plan to have all necessary revisions completed and our submission ready by December 31. I hope this will enable us to obtain formal approval of all our forest management activities under the Environmental Assessment Act some time in 1984.

We have undertaken this extensive presubmission consultation process in hopes of resolving most of the major issues before submitting our proposal for formal review and approval. We feel if we can get many of the major objections dealt with before submitting the environmental assessment, we could speed up its ultimate approval.

Essentially the document describes our forest management operation as "sustained yield timber production" and outlines its rationale. It also outlines why we chose the sustained-yield approach. It then breaks down the various activities involved in forest management—building access roads, harvesting, preparing the sites, regenerating and protecting and tending the trees—and describes alternative methods and environmental effects.

The document then describes how we would plan forest access roads and operate inside modified management areas, that is, areas where other resource values must be afforded specific protection. It outlines our plans for public consultation and explains how we would deal in the future with any projects that prove controversial. The document outlines steps we would take to prepare overall 20-year forest management plans in our 120 forest management units as well as more detailed five-year operating plans covering these same units.

Private companies, including those that have signed forest management agreements on crown land, would be subject to the planning procedures approved under the Environmental Assessment Act and required by the Crown Timber Act. This will ensure uniform application of the approved planning process in all crown land forest areas.

As you can see from an examination of the document, it is rather complicated, but since it is of considerable interest to many outside parties and has been long awaited, the extensive amount of consultation that has gone into its preparation is justified. We gained extensive experience through this kind of work—through the land use planning exercise, through our crown land recreation process, through our forest management agreements and through countless other MNR programs.

My ministry has a clear, yet extremely complex, mandate. Our policies affect almost every single citizen in Ontario. From the corporate giants in our resource industries to the person who just wants to enjoy a sandwich at a picnic table in one of our provincial parks, our constituency is large and extremely varied and its members are often at odds with one another. Because their needs are often so very different, we are always listening, constantly trying to achieve a balance. We depend on public input. Public consultation is something we use a lot of in the ministry and with very good reason.

Part of our mandate relates to the quality of life in Ontario, something that is hard to measure. Yet it affects how much we all enjoy this province when we stop to look around us and how much we can count on future generations being able to enjoy this same kind of experience.

The other part of our mandate is quantifiable. Our resources do not simply bring enjoyment; they also bring dollars, jobs and a economic future. On both counts, it is a future we can no longer take for granted. It is not enough to say Ontario is rich in resources and leave it at that. These resources can be squandered easily, abused by those who think only of the present or only of the future without the appropriate balance.

I have spoken a lot about public input and how critical it is to my ministry. I have also spoken about the need for a partnership, the need to foster co-operation among all those diverging interests we must answer to. But there is also a need for resourcefulness, human resourcefulness, in meeting the demands of this

ministry at a time of economic restraint and cutbacks.

**12:20 p.m.**

We have been able to accomplish a lot by bridging our own provincial resources with those of the federal government and the private sector. We have shown how successfully this can be done in our job creation programs and in our approach to forest fire management. We want to do more of that in the future, for the partnership in resource management must go beyond a simple agreement in principle or a mutual system of support. It must sometimes extend to a teaming up of financial and human resources to get the job done.

I am encouraged so far with our successes on both fronts. I am confident our successes to date in gaining public input and in gaining financial and human support from other arms of government and from the private sector can be translated into other ventures as well.

I would like to conclude by thanking the staff of the ministry for their help, and particularly Bill Foster, who was responsible for the effective, smooth administration of the ministry and for the transition from the old programs and policies of the ministry to the new policies I have tried to outline to this committee today.

**Mr. Laughren:** Mr. Chairman, I hope that people who read Hansard will not stop at the end of the minister's remarks because they would get a misleading impression of how good things are in Ontario.

**Mr. Chairman:** At this point we will entertain the beginning of the remarks by the opposition. May I just suggest that as this committee has for a long time been trying to finish up the Weiler report, we are working out another session. Unfortunately, the New Democratic Party was unable to attend the last hour or so, or certainly the last few minutes, of our meeting last night. We are trying to arrange for a meeting next Wednesday.

I discussed this with the minister. He would not be averse to bowing out next Wednesday morning. Our problem is to get all our estimates in, not only from this series of estimates, but from the Ministry of Municipal Affairs and Housing which come next.

We could tag on an extra half hour to the sessions that we have with this minister, starting at 7:30 p.m. on Tuesday and Thursday nights. We could still accomplish the estimates by November 30, which is two weeks from today. If the committee would agree to start at 7:30 in the

evenings, probably starting at nine or 9:30 a.m. on that day, the 30th, to pick up the extra time, we can get it all finished and we can still accomplish what we want to do with the Weiler report.

**Mr. Laughren:** Does it matter whether it involves the estimates of this ministry or the Ministry of Municipal Affairs and Housing?

**Mr. Chairman:** How do you mean? In what respect?

**Mr. Laughren:** It does not matter whether we start early in the Natural Resources estimates or the Municipal Affairs and Housing estimates, does it?

**Mr. Williams:** It does if we want to get all the hours in.

**Mr. Chairman:** We have 18 hours with this ministry and, I think, 12, 14 or 16 perhaps with Municipal Affairs and Housing.

**Mr. Laughren:** I pass.

**Mr. Piché:** When do you want to come back to deal with the Weiler report?

**Mr. Chairman:** Next Wednesday.

**Mr. Piché:** Next Wednesday, at nine o'clock in the morning?

**Mr. Chairman:** Nine o'clock until one, a four-hour session. I know you are not particularly involved in that, John, but John and Floyd, is that nine to one a good idea?

**Mr. Williams:** The same as last week. We will start at—

**Mr. Chairman:** We will start at 7:30 on Tuesday night; well, tomorrow night, 7:30, as long as everyone understands and agrees to that.

**Mr. Williams:** Maybe this would be an appropriate time to adjourn and then let the critics get their criticisms in Hansard.

**Mr. J. A. Reed:** Mr. Chairman, I will accede to the wishes of the chair, but there are a couple of things that perhaps might be useful to put on the record prior to the opening statement so the minister might be able to have some information at his disposal when we get into the main body of the debate.

**Mr. Chairman:** I think we have a few minutes to discuss the procedure. That is fine.

**Mr. J. A. Reed:** Does the committee have any objections if the opposition outlines some of these concerns?

**Mr. Chairman:** Yes, I think it would be a good idea, because there are probably certain votes

that you would want to spend more time on than others and we should try and organize for that.

**Mr. J. A. Reed:** In the six minutes or so that are left, I will try and touch on some of the items that are of interest to the opposition. The one we discussed prior to the minister's opening statement was the fact the members of the ministry staff are not being asked to attend and explain the spending of public moneys.

**Mr. Laughtren:** They are not being allowed to.

**Mr. J. A. Reed:** That is of very deep concern to us. This party is going to go on record in expressing that concern. When we are considering budgets of the magnitude of the Ministry of Natural Resources, I think we can at least have the people here who are responsible for making the decisions that are made.

**Mr. Williams:** He is here.

**Mr. J. A. Reed:** Admittedly, politically, the minister is ultimately responsible and the buck stops with him. Therefore, I suppose we have no option but to hold the minister responsible. For instance, the minister is responsible for the complete reversal in the decision regarding the CL-215 water bombers and the correspondence that went on some years ago rejecting the water bombers.

Now, since the ill-fated Challenger experience, there is the endorsement of these water bombers, which in our view are very useful in fire fighting in Ontario. The fleet should probably be expanded. However, it is going to be necessary to answer some questions as to why there was a continuous rejection since about 1976 or 1977 when the opportunity was there to buy CL-215s at a much lower price than they are now.

Interjection.

**Mr. J. A. Reed:** Perhaps I could touch on some of the other areas on which I will be asking the minister questions, so that he will be as fully informed as possible.

There was no mention that I could see in the statement of the role of conservation authorities and what their mandate is. I am going to ask the minister about something our party has proposed on a couple of previous sets of estimates. That is, that there must be a guideline framework in which conservation authorities work.

At the present time, they have incredible amounts of power and incredible latitude. They have power to expropriate, to enter on private lands and to do all sorts of things, but the framework they operate in is very loose, to say the least.

I am going to ask the minister about capital funding for conservation authorities in 1983, with specific items.

I am going to ask the minister why, once again in this statement—we have had correspondence on this in the past—the whole subject of hydraulic power is simply ignored. It is ignored by the Premier and in the House unless his arm is twisted on it. We are continually told it is insignificant in the energy mosaic of Ontario, but there are some people in the province who know differently. Since it is a natural resource issue, it should be addressed by the Ministry of Natural Resources.

The minister has quite rightly expressed concern about the International Joint Commission and the need to work out agreements on water taking between Canada and the United States. But there was no mention made in the minister's statement about domestic water taking and the effect it has on rivers.

In the United States, the Rio Grande is now dry at its mouth because of industrial and private water taking.

**12:30 p.m.**

I realize there are certain controls that appear in legislation, but I am even more concerned about the kind of enforcement that goes along with those controls and the adequacy of that enforcement. I think the minister can probably escape to a certain extent by saying it is the responsibility of the Ministry of the Environment, but in fact, it is a shared responsibility. The Ministry of Natural Resources has to address itself to that.

The minister has addressed himself to the effect of lowering the water levels in the Great Lakes and I think he has to address himself to the effect of excessive water taking from rivers in the domestic area or in the areas inside the borders of the province.

There should be the question of river control. I would like to know the minister's policy on river control; whether he feels controls should be entirely public—that is entirely governmental—or whether the responsibility for river control should be a shared responsibility between the private and the public sectors.

I am going to ask the minister about the impact of acid rain on the forests, as has been reported to me, particularly in the Parry Sound area, with the killoffs of maple trees and so on. Now the kill of evergreens in that area has spread to certain more southerly areas. I want to know if his ministry is doing intensive research on the reasons why those kills are taking place

and what we can do to counteract those immediately. We realize, of course, that if acid rain is the culprit, as is suspected at present—

**Hon. Mr. Pope:** So they say in Germany.

**Mr. J. A. Reed:** I do not know whether the minister agrees with the German research or whether he does not. If he does, we would like to know what kinds of steps are being taken to deal with this problem, which will be with us for many years to come, even if we are able to arrest the whole acid rain problem in the next decade, which we will probably not be able to do.

I am also going to ask the minister about another subject he did not mention in his opening statement. That is the subject of peat exploitation. I want to know the government's policy on peat exploitation; whether they are encouraging it, whether they have now limited it to uses for agriculture, whether they have changed the rules of the game in midstream, or

whether they simply have adopted a policy of discouragement for peat utilization.

I suspect that what has happened is that many of the decisions have been left to the regional offices and, as a result, the policies vary, according to the whims of the regional managers. However, I think it is a question worth asking and I am giving the minister as much opportunity as possible to prepare some sort of response.

**Mr. Chairman:** Mr. Reed, could you draw your eyes towards the clock?

**Mr. J. A. Reed:** I am sorry; I am going to move the adjournment of this committee. I did not realize we had gone beyond the half hour. I will be prepared to continue upon the resumption of this committee.

**Mr. Chairman:** Thank you very much. This committee is adjourned until 7:30 tomorrow evening in room 151.

The committee adjourned at 12:33 p.m.

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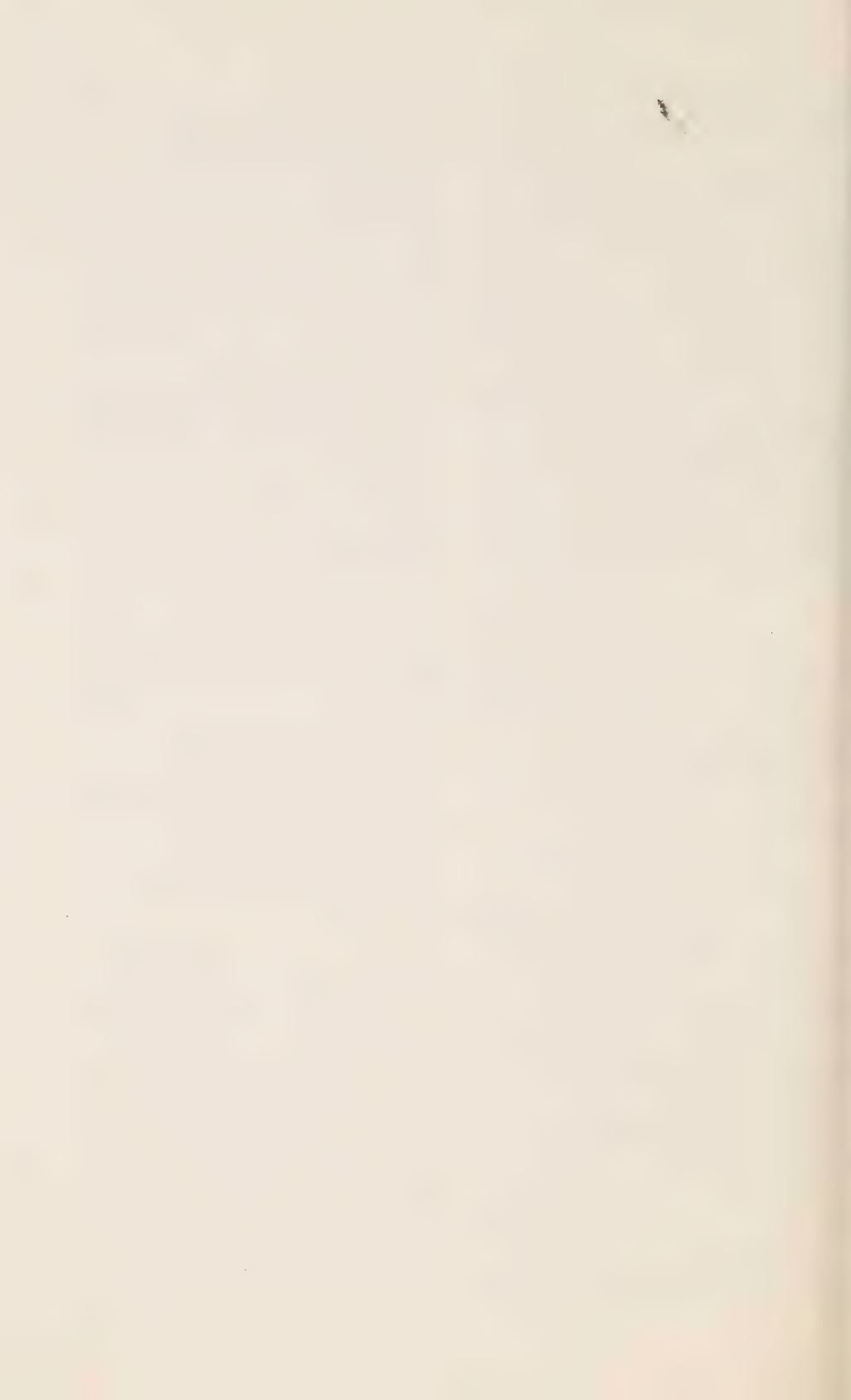
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# **Hansard**

## **Official Report of Debates**

### Legislative Assembly of Ontario

**Standing Committee on Resources Development**  
Estimates, Ministry of Natural Resources

**Third Session, 32nd Parliament**  
Thursday, November 17, 1983

Speaker: Honourable John M. Turner  
Clerk: Roderick Lewis, QC

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# LEGISLATIVE ASSEMBLY OF ONTARIO

## STANDING COMMITTEE ON RESOURCES DEVELOPMENT

Thursday, November 17, 1983

The committee met at 7:43 p.m. in room 151.

### ESTIMATES, MINISTRY OF NATURAL RESOURCES

(continued)

**Mr. Chairman:** I will bring the meeting to order. The first speaker I have on the list is the member for Halton-Burlington. I would ask him to begin.

**Mr. J. A. Reed:** Thank you very much, Mr. Chairman. I promise I will be brief, but not that brief.

**Mr. Watson:** Could you be brief before you start.

**Mr. J. A. Reed:** If I were to enter into a litany of the failures of this government, I could be here until next February nonstop.

**Mr. Piché:** I have to take strong exception to that.

**Mr. J. A. Reed:** It seems to me that you are the guy who supported the Challenger jet.

**Mr. Piché:** Yes, and I still do, very strongly. What you have done about the jet is defeat something that is very important for northern Ontario, but you know nothing about northern Ontario. No wonder you have defeated that.

Interjections.

**Mr. J. A. Reed:** I am glad to hear the honourable member place his priorities where he believes they should be, that is, transportation of the chief executives of the province ahead of firefighting.

**Mr. Piché:** That is right; no, no; both pull together. We could have had both if you had not shafted the—

**Mr. J. A. Reed:** It is an interesting indicator as to just where you stand on that subject.

**Mr. Chairman:** On with the business.

**Mr. J. A. Reed:** There are a number of serious subjects that come under the aegis of the Ministry of Natural Resources, and it is very difficult in a brief time to go over all of them, but here are some that are worthy of comment.

The first one I would like to discuss is the continuing shortfall in the reforestation area in the province. It seems to me from the figures I

have been given, and I trust they have some accuracy, show that each year we are continuing a shortfall in the moderate regeneration that we are undertaking.

It has also come to my attention that there was a study or report—I think I have a copy of it here—an internal Ministry of Natural Resources report, dated June 1976, that made some recommendations concerning clear-cutting.

The forest management practice that is of the greatest concern is clear-cutting. When we talk about forest management and the deficit and the shortfall in regeneration, what we are really addressing is that area of the forest industry that indulges in those practices. In 1976 your ministry delivered a report which shows that, at that time, in some cases—and I am citing an extreme case here—there had been actually up to 50,000 acres of clear-cut.

The recommendation that had been made—and it is under the signature of the Honourable Leo Bernier, minister, and Dr. Reynolds, deputy minister—was that the maximum clear-cut allowable should be no more than 300 acres.

Since that time our evidence is that clearcuts have continued on a basis larger than 300 acres—400, 450, 500 acres and so on. I expect these vary according to terrain and all sorts of things, but surely, with the kind of information and evidence the minister now has at his disposal, therein lies the basis of the regeneration problem in Ontario.

I was interested in his statement on page 72, and I really do not know who would have prepared this.

**Mr. Chairman:** The minister told us he wrote it himself.

**Mr. J. A. Reed:** Then the buck stops at the minister's desk, and woe betide the minister.

On page 72 he said, "It is neither feasible nor desirable to regenerate every acre of harvested forest in Ontario." I hope that is simply not a set of weasel words that allow the minister to escape from any situation that may be somewhat embarrassing.

**Mr. Piché:** There may be an explanation that you might ask for at this time.

**Mr. J. A. Reed:** I think an explanation is in

order, but I also would suggest to you that if there are areas of forest that cannot or should not be regenerated, the question that follows is, why should they be cut if they cannot be regenerated?

If we are addressing the forest industry as a harvestable renewable resource, surely we have to approach it in that context.

**Mr. Piché:** There comes a certain time when, if you do not cut them, they are going to fall by themselves.

**Mr. Chairman:** Let Mr. Reed make his statement.

**Mr. J. A. Reed:** I would remind the member that his statement is technically very correct, but I would also remind the member, who has some familiarity with the forest industry, that if there are areas that are not desirable for regeneration, for whatever reason, one should really take a very hard look at whether or not it is desirable to harvest those areas in the first place. If we are going to leave a moonscape, or if we are going to leave a dead area as a result of that, then I think it requires some very serious thought.

7:50 p.m.

**Mr. Piché:** That is not a satisfactory explanation. I agree totally with you.

**Mr. Chairman:** This is not the appropriate time for dialogue. We will have that opportunity later.

**Mr. J. A. Reed:** There is now a backlog. I do not want to be controversial here, but somehow you have to get a little bit concerned where you see the article in the Toronto Star on Saturday, November 5, entitled, "The Rape of Our Forests." I do not know whether this is considered an extreme statement by the Toronto Star, that very reputable, responsible—

**Hon. Mr. Pope:** Nonsensical.

**Mr. J. A. Reed:** The minister said the Star's article is nonsensical. I do not know whether the Star would respond to that. As a matter of fact, the Star might be interested in responding to that.

**Mr. Stokes:** They might even have a chat.

**Mr. J. A. Reed:** That is true.

The evidence shows that since 1971 there has been a backlog which is now just over one million acres.

**Hon. Mr. Pope:** No.

**Mr. J. A. Reed:** Well, I do not know. It says here, "1.4 million." I was giving you a lot of

leeway. Maybe you have planted 200,000 or 300,000 acres since this report was prepared a few months ago. Anyway, for better or for worse, the figure is 1.4 million acres.

I would like to know from the minister, beyond the forest management agreements and all of his good intentions for bringing the forest industry under the wing of forest management agreements as quickly as possible, what steps are being taken to hasten the regenerating of that backlog. It does not seem to me that the forest management agreements address that. It certainly requires a far more intense effort than has been undertaken to this point.

I suppose one could dwell all night on the business of the forest industry and the situation towards which we are finding ourselves moving, probably more quickly than we would like to in terms of available timber, available species and so on. However, I think those questions are worth asking and they are worth answering.

What kind of effort is being made to catch up? Is the two-for-one policy the only thing on which the minister is relying here, understanding that two for one only means planting two for one and it does not necessarily mean liveability of two for one. If it meant liveability of two for one then we could assess it on an annual basis, I think that would be doing something rather worth while. However, if it is simply replanting or issuing that number of seedlings which may or may not get into the ground, as the minister knows, it does not answer the question at all.

For a minute I would like to address a subject area which I think I touched on Monday. That is the question of these water bombers. The salient question is, what made the ministry change its mind about the purchase of the CL-215s, when two years previously the ministry was offered those aircraft at half the price it ended up committing for them? A few years earlier than that they had tested these aircraft under field conditions—I do believe on two occasions—and had declared them unsuitable for Ontario conditions. The geography did not change and the climate did not really change that much. The aircraft, I understand, did not change to that extent, except to get more expensive as the years went on.

What is it now that says that Ontario should trade in its Challenger for two CL-215s, pay a little more for the two than it did for the one Challenger, and then turn around and commit for seven more? Why was the aircraft no good in

the late 1970s? I can produce the correspondence, and the minister has it in his office.

**Hon. Mr. Pope:** It was a straight two for one.

**Mr. J. A. Reed:** It is \$12 million versus \$10 million, I believe.

**Hon. Mr. Pope:** So we gain \$2 million.

**Mr. J. A. Reed:** If you really want to get down to the nickel and dime change, I will take the \$2 million if you want and we will call it even.

But there is correspondence that shows a rejection of the CL-215 on a couple of occasions. Then, suddenly, the light shines on the road to Damascus, and this becomes the suitable and usable aircraft for firefighting in the province. Of course, it gets the government off the political hook, which is, I suppose, always useful if you are in government and have some way out.

The CL-215 saga is really interesting. I do not have the correspondence with me but I can produce it. I can produce it for you in its entirety.

**Hon. Mr. Pope:** I would not mind seeing it. I have a reply ready for you, but I would not mind seeing that.

**Mr. J. A. Reed:** Okay.

I would like to dwell for just a few minutes on this whole element, which is another very important one in Natural Resources. That is flood plain mapping. Flood plain mapping has been talked about, dealt with and set up over a period of years. How many years; nine or 10 years? It goes back a long way.

We learned, once the reality of flood plain mapping began to come home to those of us who have the fortune or misfortune of living in a flood plain area, that some of the principles that were being applied to flood plain mapping did not work. They did not really do the job they were intended to do: to prevent the loss of life and limb in times of flooding in the province.

In response, the minister, understanding the public concern, has appointed a committee including a member of the provincial parliament, who does not happen to be a parliamentary assistant or a minister at the present time, some Tory hopeful, and one thing and another. They are holding meetings around the country.

I actually made a presentation in Lindsay. One of the points that I appealed to the committee on was that flood plain mapping had to be quite specific. You could not use the same criteria, for instance, for the Thames River which goes through London as you might want to apply to the Grand River or the Credit River

and so on. Each of these, particularly because of the lay of the land, the amount of drainage area, the current potential, the ice potential, etc., meant there were different sets of criteria.

That was one of the main points of my presentation. The other point I felt very strongly about was that for those land owners in the flood plain who carry on activities there, there is no reason why they should be not allowed certain kinds of development in that flood plain area.

My suggestion to the committee was that, in exchange for that, there be a declaration—grant a deed ultimately—that would inform any subsequent buyers of flood plain land that property was in the flood plain.

That request was made at that meeting by people of all sorts of different persuasions and from different kinds of backgrounds. It came from conservation authority bureaucrats, from real estate interests, private landowners, and so on.

8 p.m.

So that suggestion was reasonably universal, that if a land owner was prepared to assume responsibility for his own investment, and understanding that he would not be attempting to sell a pig in a poke to a subsequent buyer, then he should be allowed to proceed and assume responsibility for himself.

My concern has been, and continues to be, the assumption that the government and bureaucracy is making at the present time that the government will somehow, once the flood plain guidelines are in place finally, assume responsibility for damage that is done to private property holdings in the flood plain.

I realize that the temptation is there. I know that we have had situations in the Credit Valley where land owners have said, "If the conservation authority does not do this, we are going to sue if there's damage."

It seems to me there is still a function left for free enterprise in this province, for private response, the assumption of personal responsibility. It is my suggestion that by perhaps showing this ultimately on a deed, if somebody wanted to do some kind of developmental work in a flood plain that would satisfy and relieve the government of ultimate responsibility in terms of facing lawsuits, if you like, if damage was done in the future.

I am not suggesting for a minute that flood plains be opened up for intense development or anything like that, but I am thinking of the farmer who lives in the flood plain, who might need to build a barn for his cattle. I am thinking

of someone who has an existing business in the flood plain who needs to do some sort of expansion. I think of all those sorts of things that are compatible with flood plain use.

I would not for a minute suggest that any activity take place in a flood plain which is going to be detrimental to neighbours or to people downstream, or that is going to fill up the flood plain with blockages that would cause flooding elsewhere. That is not the intent of these suggestions.

I want to ask the minister, is that committee worth anything? Have the criteria been set down and is this thing a fait accompli? Is this committee nothing more than a sop for those of us who are very concerned about the way bureaucracy is going about this flood plain mapping?

I can tell you, just from personal experience, that in some of the criteria that have been applied, and there is an attempt to apply them universally, you get the great computer out down here—

**Mr. Stokes:** You are emoting again.

**Mr. J. A. Reed:** Sure I am emoting, because it is an emotional issue, Jack, and you know that.

The great computer comes out down here and all of the good people who live in their apartments come down and operate the computers. They have never lived in a flood plain. They really do not know what they are dealing with at all, on a practical basis.

It seems to me that with all of the wisdom of the engineering criteria that goes into this, and the great blessing of computerization, we still cannot arrive at some universal theme that will apply to the whole province.

I think we have to be very specific to the individual areas we are dealing with. So, I leave that with the minister, with the hope that this committee will listen to some of those recommendations—or the committee will bring back recommendations to the minister.

I hope the minister will listen to them, recognize and deal with them on a very pragmatic basis, so those people who live in flood plains, whether they be technical flood plains or real flood plains, are able to continue without huge impediments to their future.

Finally, I would suggest to the minister there is some flood plain development that should be encouraged. The specific which is obvious is that energy utilization should be encouraged in the flood plain. It should be considered a compatible and desirable use, flood prone or not flood prone, because that is the only place

you are going to get hydraulic power; it is the only place you are going to get direct drive power and so on.

The ancillary development that has to go with that, it seems to me, has to go in the flood plain. To simply make some blanket policy that will outlaw that is really going against, I think, the basic thrust of the ministry.

Here again, there should be some element of personal responsibility. There should not be an expectation that government, because it develops flood plain mapping and so on, will assume responsibility here.

That is perhaps all I should say on flood plain mapping. I just hope that when you get on with it that it comes out looking a heck of a lot better than it has up till the present.

I was going to drop now to the subject of wetlands. I was trying to find some of the material I had on wetlands. It seems to me that a question on wetlands I asked of the minister about a year ago has never been answered. I hope I can find it before the evening is over.

Here we are. On November 26, 1982, I asked the minister when the promised policy on wetlands protection would be released. I asked him if a summary of public responses had been compiled as to wetlands and when it was scheduled for release.

"What provisions have been established for public review of the final draft wetlands policy?"

"How will wetland concerns, including known wetlands of provincial significance, be incorporated into district land use plans?" as they were then. They were not guidelines then; they were still plans.

"What status will the approved policy have under the Planning Act?"

"Is the government reviewing the application of the Environmental Assessment Act to the construction of municipal drains, as recommended by the Mansell committee?"

I have not seen a response to those questions. I think it is most appropriate to ask the minister where we are with wetlands policy.

The minister in his opening statement took quite a bit of time to outline his concern about the taking of water from the Great Lakes and the projected taking of water that is going to multiply by the year 2000. He talked about the responsibility of the International Joint Commission and so on.

The minister should be aware that taking of water is directly influential on wetlands in Ontario and that if his concern is as genuine as I hope it is in terms of the Great Lakes, it has to

reflect directly on wetlands. Where is it? Why is this policy not in place? Why are we not seeing the position you are taking?

If you are going to go to the International Joint Commission and if you are going to argue for a reduction in the amount of water being taken out of the Great Lakes, it seems to me if you went there with a wetlands policy in your hand you would have a lot more to argue about.

In the United States in the late 1800s certain major wetlands in the southwestern end of Lake Erie and so on were drained. They are lowland agricultural lands now. I am not sure that we have the same magnitude of wetlands around the Great Lakes as in that particular area, but certainly we have very significant ones.

I will tell you, all the talk in the world is not going to accomplish a wetlands policy. I guess the salient question there is, where is it?

This may sound very minor to the committee, but I have had some correspondence on the subject of snapping turtles. I will make the admission that the whole question of snapping turtles never really seemed to be much of an issue to me personally. On the farm snapping turtles sometimes seem to be deleterious, especially when you live where I live and there are lots of them.

The fact is that in areas of the northern United States snapping turtles have been harvested to the point that they are definitely an endangered species now, they are so very scarce.

**8:10 p.m.**

The nature of the beast is such that they have to attain quite a substantial size before they can even reproduce themselves. I had some correspondence from the minister stating there was some field work going on to try to identify the species. From the information I get I suspect that while the species is significant from a scientific point of view, it is not nearly as significant to those people who want to harvest these snapping turtles.

What kind of policy is the minister going to develop for the control of this kind of harvest?

I have no idea myself how many there are or whether in particular areas they are in surplus or whether in other areas they are scarce. The information is that where they have been harvested they have been practically harvested out. The same thing can happen in Ontario. Now, apparently, there is quite a substantial amount of turtle meat going back to the United States because it brings in a substantial amount of money.

I would like to just touch on the subject of

aggregates, which is a very important subject around the Golden Horseshoe area, very particularly in the riding of Halton-Burlington from whence comes about 50 per cent or a little more of all of the aggregates that come into the metropolitan area.

It might be said that Halton does more than its fair share in supplying the construction industry with aggregates. We recognize the great value that we, out there in Halton-Burlington, are to the construction industry in Metropolitan Toronto. We are indeed concerned, and have been concerned over the last year, by the thrusts that were taken by the government to try to freeze land.

I know the minister has taken issue in the past with this word "freezing," but if you examine what was attempted at that time, it would designate land for extractive priority, certainly with very deleterious effects on not only land values but also on the ability of municipalities to realize their own growth aspirations and so on.

I will refer specifically to the great town of Acton, where very good aggregate deposits are identified right up to the edge of the existing community. Were that land freezing to take place Acton would stagnate absolutely.

What changes has the minister made in his policy towards aggregates since he appears to have backed off at this point in forcing municipalities to amend their official plans? You appear to no longer be forcing the regional municipality of Halton to designate this property through the official plan. What are your options now?

What kind of reassurance can we have from the ministry that places which are great suppliers of aggregates, like Halton, can proceed without this sword of Damocles hanging over their heads from now to the end of this century?

Just to address mining in a passing way, here again is a huge subject and one of tremendous importance in the province. I would state what I have stated in earlier estimates, that it is my belief the mining section of the Ministry of Natural Resources deserves to be a separate ministry.

**Mr. Wildman:** We would do anything to get the mines away from him.

**Mr. J. A. Reed:** I have a lot of sympathy for the minister, for whomever the Minister of Natural Resources is, because this ministry is so large, so unwieldy, that a lot of its operation even gets to the point of being self-defeating.

I have to suggest one more time to the minister that he look seriously at splitting off

mining into a separate ministry, simply to allow that very important segment to take on its own identity. I am not going to suggest anyone in particular as potential minister of mines, but something has to be done.

As you said in your opening statement, and said very well, talking about the increased co-operation between the private sector and government, the opportunities in the Ministry of Natural Resources, as the minister well knows and as he has put into practice in some cases, specifically in the fish regeneration and so on, are enormous. But as long as you are dealing with such a huge, unwieldy bureaucracy as you have at present, you are going to defeat yourself, and you are not going to be able to realize the opportunities that are available to you.

As a result, even your own mandate—the mandate that the ministry assumes it has—has to be changed, in our view, in order to accommodate this new approach between the private sector and government.

The mandate of the Ministry of Natural Resources has always been a protectionist mandate. It has been one where your officials are given the authority to administer the act, to administer the regulations that go with the act. This was the job, and woe betide any bureaucrat who decided his mandate might be to assist a private individual or people in the private sector.

You are talking to one of experience now. I see the deputy smiling. I do not want to go through chapter and verse here, particularly, but I am prepared to if you would like. The fact is the mandate is considered one of protection of the resource, and so on and so on, and one of administering the legislation as it is.

I have not seen examples in the ministry, other than individual ones, of an assumption of the mandate as being one of servicing or assisting private individuals. You see some of that beginning to surface in conservation authorities; but here again, conservation authorities do not have the framework to work in. They are far more independent and they can set up their own game plan, if you like. They have done that, sometimes not necessarily to their own advantage or to the advantage of the citizens, but they have done it.

If the minister wants to enter into debate on that, I am perfectly prepared to. I am thinking of areas of, for instance, addressing the legalities if you like, of doing something in an area that comes under natural resource legislation.

I will tell you, if you want to have some experience of dealing with your own ministry, if you want, for instance, to do something that comes under the terms of the Lakes and Rivers Improvement Act, be my guest. We will go in it together, and we will have some fun together, because what you find very quickly is that there is no effort to assist, but a great effort to leave the citizen hanging high and dry, totally to his own devices. It seems to me that is not conducive to either a spirit of co-operation or good service. Maybe that is changing, and if it is, I would like to know where it is changing and how. It has not manifested itself to this point.

**8:20 p.m.**

Can I ask you a question about peat? You did not talk about peat in your opening statement and I did mention it in that blessed five minutes we had on Monday.

What on earth has happened to the great peatscapade, the presentation you made, and the great inventory that was taken, and so on? It seems to me there has been very little activity. I would like to know why there is very little activity.

I know in one particular instance, and I am speaking of specific cases again, where an owner of a peat bog was told he could be licensed to produce agricultural peat, but he could not be licensed to produce energy peat. I would like to know if that is consistent with the minister's policy. If it is not, by golly, I will investigate it further, and we will get right to the root of it.

The minister knows that in any peat exploitation situation, the peat varies in its quality and type as you go down into the bog. Some of it is agriculturally suitable, some of it is suitable for other things, and so on. It is a resource other countries are utilizing in the most sophisticated ways.

I think principally of Finland, which is using a great deal of it economically. I think of Ireland, and the great heath, the Bord na Mona pit, or bog, which is gradually being turned into very useful agricultural land after the peat has been partially taken and the water levels changed. I think of the Soviet Union, where there is a great deal—I have lost the figure—of megawatts of electricity generated with peat. But it is being done. The technology is all in place.

We seem not to be interested in it, and I am concerned that we are not. We spent a lot of money on that inventory. You know now what we have there, and I think it is equivalent, if you relate it to oil, to 72 billion barrels of oil.

Many of those bogs, if they are properly utilized, not only can provide energy resources and agricultural resources, but they can be turned into something very useful and renewable. That is being done in Finland—the technology is all well in place and under way—where forest cover is replanted and species are selected and so the peat bog, which was not contributing a great deal before in these localized areas, can end up making a great contribution.

Certainly, people have expressed concerns about the environmental impact if we drain bogs, but we all know it relates to management and the kind of management that goes into them.

There is an opportunity there, and I would be delighted to hear that the ministry has issued licences and that the people are operating. There is a world demand for agricultural peat right now which outstrips the ability to produce. Quebec is exporting peat to Japan in quite large quantities, but we are not utilizing that resource.

Turning to another perhaps more sinister subject, the impact of acid rain on the forest resources, I was notified nearly a year ago about maple dieback in the Parry Sound area. I did some personal investigating and talked to some of the ministry people in that area, who tended to leave with me the educated suspicion, if you like, that a combination of events occurred that caused some maple dieback the year before last. It included a severe winter the year before, some insect infestation and a belief that possibly higher acidic levels were dissolving some of the metals in the soil and adding the third burden or, if you like, the straw that broke the camel's back.

I noticed this year, coming down through that same area, some rather large stands of young evergreens, I presume spruce—I should have brought a sample down with me just for these estimates—that appear to be either extremely sick or dead. I am wondering if the same kind of conclusion is being drawn about that impact.

If, in fact, we are looking at an acid rain problem, we have a forestry problem that is more pervasive and more serious than even the regeneration of forests. Even if we were able to stop acid rain tomorrow morning, which we cannot, it would be years before its impact would be washed through our ecosystem, and we know that.

I would like to know what the ministry is going to identify whether or not acid rain is actually causing some of these problems and

how the ministry is going about dealing with them.

We will get to the business of the deer hunt. This year, as in previous years, a lottery was held in the great riding of Halton-Burlington for a controlled deer hunt to reduce the population of deer which increase in an urban area because they lose their natural enemies over that time and they find that farmers' corn and apples and so on make pretty good browse.

On the other hand, some farmers and some people who are in the semi-urban or semi-suburban environment of which Halton has a great deal, are concerned about the danger to themselves, to their children, to their animals and so on. I can tell you, just as a matter of experience, I have had a few bullets whistling around my head at times. That was before my political days so I know it was not a political enemy. However, there is great concern.

The concern is with the irresponsible hunter, that small percentage who either hunt without a licence and poach, if you like, or those who do not have the proper regard for safety.

I was given some information—I inquired of your ministry about it but I never got an answer—as to whether or not deer hunters in Halton this year are required to wear the licence number on their backs. I am asking the minister: if not, why not?

I will tell you that the business of apprehending an irresponsible person with a gun in his hand and asking him to identify himself is a very touchy and difficult task. I would perhaps ask the minister to reason through this, because it would seem to me that every responsible hunter, everyone who is concerned about having a good image in hunting, would probably be delighted to wear his identification front and centre.

I am most concerned that no identification is required. It seems to me that the land owner who does not want hunters on his land is really at a serious disadvantage, because it is the other guy who is carrying the gun. Believe me, if you do not think that is a threatening thing or an intimidating thing, then you should perhaps apprise yourself through some personal experience.

**8:30 p.m.**

I have had reports from neighbours who have apprehended people carrying guns on their property. There was no way of telling whether they had a licence, to begin with; certainly they did not receive permission to trespass. When they were told they were trespassing, they

simply pointed the gun at the land owner and told him to stand aside. I think some means has to be found to stop that as quickly as possible.

It seems to me that a big identifying number might be one of the ways to identify a licensed hunter. Therefore a person with a rifle and without an identifying number could be easily apprehended, probably by a police officer.

I do not know what the answer is exactly here, but I would ask the minister to please reason that through, because it is a cause of very great concern, especially in the suburban areas where there are houses, there are cattle—

**Mr. Wildman:** And kids.

**Mr. J. A. Reed:** —and kids, who are, of course, the biggest concern.

**Mr. G. I. Miller:** May I relate a little story that happened in Caledonia? Eddie Sargent's daughter and her husband live in Caledonia; their names are Pam and Ted Aylan-Parker. They had a deer break through their front window just a couple of weeks ago, it ended up in the living room. It cut itself, there was blood all over, and the kids were terrified; everyone was terrified. They scared it back out again. This was within an urban area; it was in Caledonia.

**Mr. J. A. Reed:** That is certainly an example of the fact that the deer population in those areas does increase disproportionately, simply because of the lack of natural predators. We have the same situation with muskrats and raccoons in our area.

Quite frankly, I want to go on record as saying I am glad the government still considers humane trapping as being a very valid way of controlling and harvesting these animals, because the balance of nature is so cockeyed now in southern Ontario that man really is forced to take some measures.

In the case of muskrat, the mink were always the natural predator, the natural enemy, and I doubt very much if, in the area I am familiar with, you could find one or two dens of wild mink as opposed to literally hundreds of dens of muskrat. The whole thing is very much out of balance.

I am concerned with a subject that was brought up to me, and this is regarding the moose hunting. I will not dwell on the computer error; I think we have all had our licks with that. There are two concerns that have been brought to my attention which I think should be responded to.

One concern is the business of sex selection. I wrote to the minister about this; I think maybe

he remembers the letter. Some very experienced hunters and guides have indicated that those hunters who were not so experienced might have a good deal of trouble identifying the sex of a moose at perhaps 200 or 300 yards or whatever, and that, as a result, females would be shot and their carcasses simply left in the bush to rot, in the name of the licence system you have at the present time.

I hope you are aware that that is happening and that those are concerns of some people. I am not a hunter, so I cannot really comment on it, but they are the concerns of very experienced hunters and guides.

Another little anecdote brought to my attention was when, if a cow moose was shot, the hunter would wait around until the calf came back, shoot the calf and perhaps take the calf and waste the cow moose. I am quite concerned about that. It is a problem that the ministry has to deal with, and I wish I had some magic answer for it. I do not have.

Oh yes, there is the question of the new parks. I would like to make an appeal to the minister, when we are talking about parks. I believe that everyone has welcomed the new park proposals. I think now there is enough universality of agreement that I hope the minister feels he can proceed.

The one concern I have—is it based again on some personal experience—is the business of what the ministry intends to do with those properties contained in proposed park areas that are currently privately owned. I do not know how many private properties there are in the proposal. There are none?

**Hon. Mr. Pope:** No, although there was an article; a columnist in one of the Toronto newspapers said we were expropriating everyone's land. After I made my announcement, that was the only thing I could see he could find to criticize about it. The reality was that within the boundaries of the different parts we had laid out there were between five to 10 properties province-wide that were in private hands. We had made the determination early on to exclude them from the park boundaries.

**Mr. J. A. Reed:** From the park boundaries? I think that solves the problem.

The fact is there has been a serious federal problem with the establishment of—is it what they call Kouchibouguac, in New Brunswick? I can tell you that trying to establish a park on that basis is the wrong way, absolutely the wrong way. After all, governments have forever.

The sale and purchase of land by a willing

seller and a willing buyer is, I think, the way to go about it, which brings in one little anecdote.

So far the ministry has not made any provision to accommodate that sort of policy, where you would be prepared to purchase land on a willing-seller/willing-buyer basis. I remember going to your predecessor and appealing to him to put up a small fraction of the cost of purchasing some very sensitive land on the Niagara Escarpment, a number of years ago, and being told there was no funding. The fact is, there was no provision made for earmarking funding for that kind of purchase.

The proposal made by the Niagara Escarpment Commission has been for the establishment of a trust, of what they call the escarpment trust, and that, in essence, would earmark funding for that type of purchase. I would ask the minister seriously to consider something of that nature.

I do know that opportunities do arise, where you have a philanthropist who is prepared to sell at a very low price, or where you have the Nature Conservancy of Canada involved, or some other civic-minded body, which is prepared to put up funding for these purchases, and where a small amount, a very low percentage, is needed to complete the transaction and it is not forthcoming.

Surely you can take a lesson from Gertler's recommendations of 1969 on the Niagara Escarpment, which said that if \$26 million was put aside in a fund, all of the land that was sensitive or necessary to be purchased on the escarpment could be purchased. I am sure you could not do it for that now, but the provision should be made. It should no longer be dealt with on an ad hoc basis under the general revenue.

8:40 p.m.

That, unfortunately, is the only system you have at the present time. I am told you are not allowed to earmark money. You might be able to do it mentally, but you are not really allowed to earmark money for these particular things.

Before boring the committee to tears, I will talk about the second last subject I want to talk about; the question of capital funding for conservation authorities.

I happen to know in the case of the Credit Valley Conservation Authority, which is not located in my riding but in a neighbouring riding, specifically that of the Premier (Mr. Davis), the conservation authority had applied for an amount of money in the neighbourhood of \$150,000 to capitalize new headquarters.

I do not know if you have ever been out to the

Credit Valley Conservation Authority, but the boys out there are living in portables. The headquarters is one small, clapboard house. A great deal is accomplished there—I am not knocking it—but they outgrew their facilities years and years ago.

I know a plan is in place at the conservation authority which would get them to divest themselves of some properties in order to raise most of the money necessary for constructing a new headquarters. They had simply asked the ministry if they would put up the balance.

Again, I do not know whether you are so bound by your general revenue—do you have to go on your hands and knees to Larry Grossman every time you need something like \$150,000? Who knows—

**Mr. Wiseman:** He is not that short.

**Mr. J. A. Reed:** I think it would be useful to get an answer as to why that was rejected or if the minister would reconsider that application, understanding that the conservation authority itself is undertaking to raise the bulk of the capital.

Perhaps that might also be applied with other conservation authorities across the province. There may be others—and this may be the limiting factor as far as the minister is concerned—in the same situation that also need funding. I wonder if they have expressed the ingenuity that has been expressed by that conservation authority. I think they are to be commended for trying to raise as much of that money themselves as they possibly can.

The last subject I would like to touch on is this great cause of mine called water power in the province. As the minister knows, I had some correspondence with him a few months ago. When the land use guidelines came out, the ones I read had deleted any reference to preserving hydraulic energy in the province.

It seemed to me that overlooking this was contrary, not only to your own legislation, but also contrary to your stated policies of the past. I am very concerned about that, and I will tell you why.

There seems to be a sort of silent conspiracy to render water power a nonexistent option in the province. Yet we have available for development a minimum of about 7,000 megawatts, mostly smaller sites, many of which can be only economically developed either by private enterprise or by the proper price being paid by Ontario Hydro for the delivery of that power. Those are matters that involve a stroke of the

pen or a change in policy at the level of Ontario Hydro, and so on.

I am very concerned that the Ministry of Natural Resources would appear to be entering into a conspiracy, unwittingly if you like, with Ontario Hydro and with the Premier, by trying to indicate, without saying it, that there is no hydraulic power left in Ontario and that nuclear is the only option available to us. It is untrue, to say the least, and your ministry has to have something to say about hydraulic power.

It is a natural resource issue, and you have to be either for it or agin it and come out and declare yourself. To this point, you appear to declare yourself in favour and appear to have supported some of these thrusts, either for redevelopment or the development of new sites and so on. However, I am astounded that these land use guidelines, to which you appeared to attach so much importance in your opening statement, do not even address the subject. It is as if all of the rivers in Ontario have gone flat; either that or we desire never to develop or redevelop them.

As I say, it is contrary to even your Lakes and Rivers Improvement Act legislation, which protects water power and is very specific about its protection. It talks about occupied water privileges not being encroached upon, etc.

As renewable energy gradually receives more recognition, I think those of us in that small but growing club deserve a comment on the minister's part and a clear-cut statement as to where we are going.

We could go on and on about the most unwieldy ministry in the province, the largest ministry and the ministry which has jurisdiction over 90 per cent of the land mass of this province. I always wish the minister well in his efforts. I suspect that during the time he is minister, he spends time accumulating a little bit of knowledge about the tremendous area of responsibility he has, only to be transferred at some future time into another ministry. I suppose that is the way bureaucracy stays in power in Ontario.

**Hon. Mr. Pope:** Keep it up, I am really enjoying this part.

**Mr. J. A. Reed:** But I do wish him well. I wish his ministry was more compact. I wish it was a little more subdivided so that he would be able really to deal with the opportunities that are coming available to him for the development and the economic redevelopment of this province.

**Mr. Chairman:** Thank you, Mr. Reed. Mr. Laughren, do you care to—

**Mr. Piché:** How many speakers on the list?

**Mr. Chairman:** Forty-five; do you want to put your name on there? I think tonight will be pretty well taken up with—

**Mr. Piché:** With the opening remarks of the opposition parties?

**Mr. Chairman:** Yes, but I will put you down anyway.

**Hon. Mr. Pope:** I thought I would start by replying to the points you have made in reverse order, because I will end at forestry which will lead into the heart of Mr. Laughren's statement.

**Mr. Chairman:** You mean you might even answer all his concerns without him asking you questions?

**Hon. Mr. Pope:** No, but it will lead in because that will be one of his main themes, so I will do it in reverse order. In any event, I think it is also one of the more important personal areas of interest for Mr. Reed, the area of hydraulic generation and the policy for it in Ontario, that I should address first.

In spite of the personal experience you have had with respect to some developments in specific spots in Ontario, I think we have tried, for the past two and a half years, to develop policies that would support private sector development of small waterpower sites. Cabinet had directed that we co-ordinate our programs and policies with the Ministry of Energy and come up with an overall policy to encourage small hydraulic development, including the streamlining of an approval process. You are aware of some of the problems that approval process has had in the past as well. The two of us have discussed it on some occasions.

We, of course, do have some authority in the matter through control of our water leases under the Lakes and Rivers Improvement Act and under other legislation and programs we have.

We tried to work closely with the Ministry of Energy and Ontario Hydro in the development of an overall hydraulic power development policy which cabinet approved in the spring of 1981. In that policy we tried to indicate that we were supportive of hydraulic development at small sites by the private sector.

At that point we undertook, or started to take, an inventory to assess existing sites for their potential for small waterpower development and that inventory is due to be completed

in March 1984. I am not saying it will be a complete inventory.

**Mr. J. A. Reed:** May I ask you a small supplementary there: why did you think you had to take an inventory? You took your first inventory in 1895 and you updated it every year until 1946. I am not sure what the purpose of taking yet another inventory was, because all of the sites had been quite thoroughly explored by the turn of the century.

**Hon. Mr. Pope:** Yes, but a number of artificial impediments, changes in flow ratios and diversions within Ontario, particularly in the northwest, took place.

**Mr. Stokes:** Ogoki?

**Hon. Mr. Pope:** Ogoki for one. That changed a lot of the existing site information we had. That is why we decided we should go back and do a proper inventory. We also wanted to make that information available to the private sector in an updated form so they could look at it and realistically proceed with proposals.

The option was to entertain proposals and, of course, have the private sector do all of the work on flow forecasts and all of the other things. That was one option that possibly may have been more expeditious for development of a few sites in the province right away. In the longer term, I think it would have impeded development by a number of private individuals who did not feel—some of them have told me this—they had the money or the technical capabilities to do that kind of study. Since we required that kind of information before giving permission to put these facilities into the streams, they were going to be caught one way or the other eventually anyway.

Probably in the short term it was the wrong thing to do, but in the longer term I think it was the better way to go. We got more people in the private sector involved and that is why I was trying to urge that kind of process.

**Mr. G. I. Miller:** May I ask a supplementary on that too? Would it not be advisable for the conservation authorities to have some input into that because they control—I am thinking of the Grand River. I know we harnessed the one at Guelph on the Grand River; we built a new dam at Caledonia on the Grand River. It could be a revenue thing for them that would pay for those investments over a long period of time. River; we built a new dam at Caledonia on the Grand River. It could be a revenue thing for them that would pay for those investments over a long period of time.

I do not know whether you have given any thought to involving the conservation authority in developing these potential sites. I am thinking again of the Grand River, of doing work on the dam at Dunnville.

As Julian has pointed out, at the turn of the century that was the energy for the area. Again, it could be some of their responsibility because they have a lot of control and authority.

**Hon. Mr. Pope:** We do use the flow forecast information they provided through some of their flood plain management and water forecast systems, and they have supplied us with a lot of information on a co-operative basis.

The Guelph dam apparently is one of those in which the conservation authorities are involved with us in the operation of that facility on a co-operative basis, so I think they are getting involved with us—certainly through our lands and waters branch and the conservation authorities branch in the ministry. This kind of inventory involves both of those branches.

We estimate that we have spent about \$350,000 on this inventory, which we took from the spring of 1981 to March of 1984. We are using not only our own staff, but also some consultants who have experience of their own, to assist us.

In the 1981-82 fiscal year we also had three hydro demonstration projects, and all of those projects have been commissioned. We had feasibility studies done at two additional sites, one at Oba and the other at Muskrat Lake, and found that neither of those sites could be economically developed. We try to make those kinds of determinations and give the information to the private sector.

**Mr. J. A. Reed:** If you do make a determination like that, do you or will you turn over that information to the private sector? And will you turn over the site to the private sector?

**Hon. Mr. Pope:** I am not saying there was always universal agreement between the different ministries on what the policy should be, but the policy we arrived at in 1981 certainly opened the doors more than they had been opened before towards the private sector's getting involved in site development.

**Mr. J. A. Reed:** The reason I bring that subject up is that I have seen economic assessments of various sites that are so inaccurate as to make one wonder whether they were not commissioned for the purpose of rendering the site unfeasible.

**Hon. Mr. Pope:** I think the issue we had to address was, once we determined feasibility, or

once we did the site studies, should Ontario Hydro be able to reserve the site for hydraulic —

**Mr. J. A. Reed:** Hydro has already made their policy on that. They are not interested in under two megawatts.

**Hon. Mr. Pope:** However, I think the outcome of the policy was that Hydro would only have a limited period of time to make their determination as to whether or not they had any interest in the site, and that the private sector would be welcome to participate. I think that was a change in policy that was initiated during the development of the policy paper in 1981.

The reason for that was to open up more to the private sector than had been opened up under the older policies. With the consensus of cabinet that that should take place, we now have seven sites being developed under a joint federal-provincial demonstration project. We have also completed our studies for the streamlining of the processes with the Ministry of Energy.

The Ministry of Natural Resources acts in an advisory capacity with the Ministry of Energy in that particular aspect of the program.

We are reviewing hydro potential at our own dams. Previously we had not been doing that kind of review often enough and in enough locations, and that led to some criticism, particularly when we moved in and took over old Hydro power sites, and perhaps changed the nature of the facility, or destroyed some of it, so I just have to say that as a result of this policy since 1981, and the work we have done since then, we are in a better position now than we have ever been to offer sites to the private sector.

A rather famous dam in the Mattawa River was one of our first efforts at it—

9 p.m.

**Mr. J. A. Reed:** Halting and painful as that process was.

**Hon. Mr. Pope:** Right. Nevertheless, there was some progress made, and that particular generating station is apparently going to be in service in early 1984, if it is not already.

With a few of those kinds of projects under our belts, and with our processes and approval systems in place and some experience in working through them, I think the net effect is going to be a positive one in terms of getting the private sector sites under way—not only small sites but also medium-sized sites that might be industry-specific. The ministry sees the potential for those sites, and we see a need to make

that potential available to municipalities, industry and even private home owners.

I have had representatives from the French company come in to see me about their portable turbines—

**Mr. Stokes:** Leroy Somer?

**Hon. Mr. Pope:** Yes.

**Mr. Stokes:** I was down there, at their plant in Angoulême, in southern France.

**Hon. Mr. Pope:** We have had a number of other interested economic concerns that have attended at our office and showed the potential they have for development of sites, even for developments that Hydro had not perceived as possible under existing technology or existing priorities.

I think we are committed in the Ministry of Natural Resources to having a good operating program in place that will help out the private sector. You will see a lot more progress in the coming years.

I have to admit, though, that the Hurdman dam process led us to review our processes and to try to improve on them. We are getting better co-ordination between our main office people, who develop policy, and the field staff and getting that process under way quicker, because that was part of the problem in that case.

On capital funding for conservation authorities and specifically the headquarters for the Credit Valley Conservation Authority, I do not think our response can be termed as positive. Many conservation authorities in the province have come to me in the last two and a half years and asked for money to spend on administrative centres, educational centres and interpretative centres. My personal belief and the policy of the ministry is that the priorities should be on water management, flood detection and prevention priorities. Until those priorities are taken care of province-wide, not just on a watershed-by-watershed basis, we should not be spending money on administrative centres.

The total cost of the Credit Valley Conservation Authority administrative building was \$1.2 million. They were to sell some surplus lands, which were purchased with 50 per cent provincial dollars at least, and use that money to construct their administrative building.

From my own experience up in the Mattagami Region Conservation Authority and from what I have seen in other parts of the province, I happen to believe there are more urgent priorities in terms of flood prevention and flood

damage reduction that have to be addressed on a province-wide basis.

I am not prepared to give the Credit Valley Conservation Authority permission to spend \$1.2 million of what is essentially public money to construct an administrative centre when we still have to take care of Port Hope, some problems in the field in Sturgeon and a 10-year program at Cambridge for flood protection. We also have a number of other areas in southwestern Ontario that have actual flooding experience that have to be contended with.

The only conservation authority administrative building under construction in the two and a half years since I have been minister was one that was approved before I became minister. In another area of the province, an authority got approval to move a building from one place to another; it became an add-on to its administrative building. I think that was under the Canada-Ontario employment development program. Although they requested them, we did not grant any additional funds for additional construction.

One of the first conservation authorities that approached me for an administrative building was the Mattagami Region Conservation Authority in my own riding, which has two rooms on the second floor of a small building on Wilson Avenue and has had that space since 1972. I did not give them permission either to expand their premises or to construct an administrative building.

I do not believe it should be a priority. I realize that causes some problems with locating staff. It causes problems with respect to meeting facilities and even causes problems with respect to access to files by the public.

**Mr. J. A. Reed:** We have a situation in our area that I have not talked to the authority about, so I do not know whether it is the particular facility or whether the authority is simply going to wait until it gets new facilities. There is a visual flood-watch system in place on the river, but woe betide you if you have a flood on a Saturday or a Sunday, because there is nobody there to answer the telephone.

**Hon. Mr. Pope:** What there should be is what many other conservation authorities are doing; they are putting the automatic gauges in, and they are having a warning system—

**Mr. J. A. Reed:** There are automatic gauges.

**Hon. Mr. Pope:** There is also a warning system that is linked to all of the emergency measures organizations in the community.

**Mr. J. A. Reed:** With respect, I appreciate that and I appreciate that on a broad base all those things are useful. I can also tell you that in situations we deal with in the Credit River Valley, floods are specific to sections of the river. They often do not involve other areas. They often are the result of substantial ice jamming in remote sections of what is quite a deep gorge.

When you are talking about water flows, which relate to times when there is no ice, you can monitor a good deal of the potential for flooding and do some warning in that regard. However, when you get into some of these other situations, which are highly localized and very specific, it is just a different situation. In the final analysis, all the automation in the world will not give you a clear indicator.

We had a situation, even without ice, two years ago. A storm was so minor and so localized that it was not even recorded on the weather radar. It dumped three inches of rain into the west branch of the Credit River and caused what was later described as the 35-minute flood. It did it in 35 minutes. I beg you to consider that all the sophistication in the world really does not address this.

9:10 p.m.

**Hon. Mr. Pope:** The capital funding program that we have is based on provincial and regional priorities. I am talking about capital grants now from the Ministry of National Resources to authorities. That assessment is made on a number of bases, including risk in population and property values and a number of other things.

I guess we start out with a regional priority system. In each region of the province all these capital projects are submitted by conservation authorities and analysed at our regional office in a priority list; then the regions hand them all in to Toronto. We review the provincial priorities and assign capital funding to each region to disburse under their own regional priority systems.

We feel that is the most appropriate approach. It allows each region to determine priorities within the region, but it also allows us to shift capital funds back and forth between regions, based on our own assessment of what the urgent province-wide problems are. It allowed us to accelerate our assistance to Port Hope, for instance, and up in Thunder Bay, where they had a couple of exceedingly difficult problems, as well as to the Neebing-McIntyre system and the Kam River, where there were some homes in immediate danger of sliding into the river.

We need that kind of flexibility, both on a regional and provincial basis. I do not think we would like to lock any single conservation authority into an expectation of ongoing guaranteed capital funding over an extended period of time. The problem there is that in major projects which, because of their nature of necessity, involve more than one year's expenditure, municipalities and conservation authorities do not have a guarantee of a 10-year funding stream; they have to go into the priority process system every year for capital funds. That causes some concern, because you can get one or two years into the program and, technically, have no guarantee of funding to complete it.

We have been working on that problem with the conservation authorities and have indicated project approval as the system. We approve the project and put it in on a priority funding basis. I do not think we have had a problem with the cutoff of capital funds for any project once funding has been commenced. We may stretch out a project, but we certainly do not cut it off. We would not stretch it out if it meant breaking one feasible stage of the project into two or three years and adding to its cost.

You have to sort out all those things. Cambridge particularly has had a problem with that 10-year project along the river, going right down into Brantford. Because the municipal council has to provide for ongoing capital funding in its own budget, we have tried to give it the assurance that capital funding will be available, but no guarantee that we will not stretch it a year or more further.

**Mr. J. A. Reed:** What you are saying is that capital moneys will be made available on a priority basis for water management, flood control, safety and that sort of thing.

**Hon. Mr. Pope:** That is right.

**Mr. J. A. Reed:** Okay.

**Hon. Mr. Pope:** I guess it was unfair of me to say that it was just me. Ten years ago, conservation authorities spent 60 per cent of their regular operating budgets on recreation and probably had similar capital budget commitments. That is now down to 15 per cent. They have followed that trend over the past few years. We have accelerated in the past two and a half years, but they were heading that way anyway, into water-related activities as opposed to recreation.

**Mr. G. I. Miller:** As a percentage change? Is this for capital expenditures?

**Hon. Mr. Pope:** Yes.

**Mr. G. I. Miller:** Do you have a percentage now?

**Hon. Mr. Pope:** I am sorry; the percentage of capital support for each project, or the percentage in dollars being put into flood control?

**Mr. G. I. Miller:** Percentage that goes into the authority.

**Hon. Mr. Pope:** For each project?

**Mr. G. I. Miller:** Yes.

**Hon. Mr. Pope:** It is 55 per cent basic for water and 50 per cent basic for recreation. But there are potential supplementaries, which we are trying to cut down on.

**Mr. J. A. Reed:** Are there any supplementaries you are trying to increase in terms of putting more priority on flood control and water management?

**Hon. Mr. Pope:** Yes. Most of the supplementary funding would go into water management projects and very little, if any, into recreation projects. That is basically how we try to control it, as well as through the five per cent difference in the contribution rates.

We are headed in that direction, and I think the conservation authorities have tried to co-operate, although there is no doubt that it does cause some problems for them. Recreation projects are pretty popular too. They balance off the perception of conservation authorities, which has always been the flood plain management problem, with other good things they are doing.

I am sensitive to their concerns, but I still think there are so many projects of an important nature in flood control and flood protection that have to be undertaken across the province that we are not yet at the stage where we can afford to have much more flexibility than we have. However, I hope in the near future we will be able to ease up a bit.

9:15 p.m.

**Mr. J. A. Reed:** I could not agree more that flood protection has to be looked at as a priority.

**Hon. Mr. Pope:** I am going to get back into flood plains too, because you addressed that issue, but I thought I would go down some of the other items first.

With respect to escarpment lands, we have tried to put in place a co-operative program with the Nature Conservancy of Canada, the Ontario Heritage Foundation and private donors. You are quite right; sometimes the land is actually just given over, and sometimes it is left in a will.

Oftentimes it is sold at less than what perhaps they could have disposed of it for at fair market value. We are actually quite satisfied that we have a co-operative structure in place to keep us informed of these possibilities when they arise.

**Mr. J. A. Reed:** How long has that been in place?

**Hon. Mr. Pope:** I have been involved in it about a year and a half, but it was in place before that—eight to 10 years.

**Mr. J. A. Reed:** It did not have anything to back it up; it was a toothless wonder.

**Hon. Mr. Pope:** The other interesting thing is that these organizations are acquiring private funds for acquisition as well. Oftentimes we will have actual meetings on a property-by-property basis with these groups, which will identify the property, explain its importance and will indicate they are prepared to contribute a portion of the costs, but they want some contribution—

**Mr. J. A. Reed:** Is that a new policy, or is it one that has been in place?

**Hon. Mr. Pope:** It is not really a policy. It is just the way we do it.

**Mr. J. A. Reed:** Is that something you have started to do that is new?

**Hon. Mr. Pope:** That kind of approach, where we try to make dollars available on an ad hoc basis as priority properties are identified and come open, is something new as far as I am aware. We have found that if we have that flexibility, and oftentimes it is not necessarily in any single segment of the budget, but we need the capital funds at that point in time—

**Mr. J. A. Reed:** What you are describing is an exact situation that happened with your predecessor, and I spent numerous hours meeting with him, bringing in the principals involved and so on. The external money that was available from the Nature Conservancy of Canada and so on was going to look after the major cost of that property, and yet we batted zero.

**Hon. Mr. Pope:** I know we have had some acquisitions they have been involved in. Sometimes they have negotiated on our behalf so that the particular land owner would not necessarily know a government acquisition was taking place.

**Mr. J. A. Reed:** This particular case involved land on the escarpment, adjacent to Kelso Park. It was offered to the government in lieu of an attempt being made to develop it, because it was recognized by the owners that it should remain

in its natural state. The Nature Conservancy of Canada agreed, and yet funding was not available.

**Hon. Mr. Pope:** In June 1983 we put some information together—I think Lou of your research office was asking about this—and as of November 1982, the Ministry of Natural Resources owned 39,831 acres in the area of the Niagara Escarpment plan; conservation authorities owned 24,054 acres; Parks Canada, specifically through the acquisition of some of the Tobermory Islands, was 3,309 acres; the Niagara Parks Commission had acquired 104 acres; and other sources, 3,212 acres. The total was 70,512 acres as of November 1982.

9:20 p.m.

**Mr. J. A. Reed:** But those rates of purchase have continued to decline. I think I have seen that sheet. They peaked in about 1975 and they have gone on the skids ever since. When this specific offer was made to the ministry, it would be in 1978, I think, or 1979.

**Hon. Mr. Pope:** Yes, in 1979. In 1975, it was 9,635 acres.

That has been the acquisition program. The Gertler report in 1968 proposed 55,000 acres for public acquisition. Of course, values were different and there were different concepts at that time. Another 34,600 were in different elements of public control.

All I can tell you is that in the last two years that I have been minister, I have been aware of co-operative efforts and title to the property does not necessarily rest in the name of the Ministry of Natural Resources. It might be the Ontario Heritage Foundation, it might be the Nature Conservancy or trustees in whose name it would be registered.

Probably no acquisition program would be quick enough in terms of the value of the escarpment, but I think we are continuing to expend public moneys on it, and on a regular basis we meet with all of the groups to discuss the programs.

**Mr. J. A. Reed:** The point I am trying to make here is that you do not find yourself in a similar position again, where property that you would like to acquire is offered to you, either at a very low price or whatever, and because of your legislated constraints—of having to have your money all come out of consolidated revenue rather than it being available as an earmarked package—the acquisition is lost. Sometimes lost forever. That is all, that is the only point I am trying to make. Somehow, if you knew there was some fund there, such as the Niagara Escarp-

ment trust or something of that nature, you could make the acquisition, I think you would be well served.

**Hon. Mr. Pope:** I agree with you.

I would like to turn for a minute, if I could, to the moose hunt. The selective harvest aspect of the moose program was something that the moose committee of the Ontario Federation of Anglers and Hunters has been calling for for five years. Our staff had some reservations about it, and had a program in place which they felt would be somewhat as effective in protecting the moose population.

We felt, on balance, that we should try the selective hunt system and put those regulations in place. It is true that in different parts of the province the unorganized hunter felt that additional restrictions were unwarranted. It was our assessment that the decline of the moose herd had not been redressed, therefore, at that point, we felt compelled to put into place the selective harvest system.

We felt it had worked with the deer population. We also feel it is part of the hunter's responsibility to be able to identify the game before he pulls the trigger.

The clubs that were not part of the Ontario Federation of Anglers and Hunters, including two in my own community, in co-operation with our ministry undertook to hold seminars on the selective hunt system with our staff and their biologists, and to address the issue of identification.

Many hunters came out to those seminars. The clubs, including the ones in my own riding, ultimately endorsed the selective harvest system, although initially they were not happy.

**Mr. Wiseman:** Is that one of those things where one of the hunters said he thought the moose should have been represented at the meeting?

**Hon. Mr. Pope:** That is right.

**Mr. Laughren:** They were in my riding.

**Mr. J. A. Reed:** Wait until that gets in the local press.

**Hon. Mr. Pope:** There is no doubt that some hunters feel they are disadvantaged because they do not have the experience to distinguish between a calf of the year and a somewhat more mature cow or bull. It is still my feeling that, on balance, that kind of determination has to be made and there is no doubt that from time to time one may have some mistakes.

The consequence of that kind of mistake, if it is legitimate, is something we are going to

address when we review the program in meetings we will hold across the province in January and February. The Ontario Federation of Anglers and Hunters and we ourselves will be going up to communities where the Ontario federation might not be represented to take part in the discussions, to see what the local attitude is towards some elements of the selective harvest system, which will be interesting.

We feel, however, that as the program matures and as hunters become more experienced in making that differential, those kinds of problems will diminish over time. People like the member for Niagara Falls (Mr. Kerrio) would not have such problems anyway, because of experience, but others who have not been hunting for as long a period of time will gradually learn to distinguish the difference in the bush between the cows, bulls and calves.

**Mr. J. A. Reed:** There is no question about it, these people do have a concern.

**Hon. Mr. Pope:** Yes. I am aware of reports of moose being shot and left in the bush. Our staff has spent a considerable amount of time examining those reports and doing surveillance in the bush.

There are occasions when you do see a moose down and rotting. There is probably no doubt that some of it has been because of mistaken identity before the kill is made, but it is not as widespread or as rampant as the rumours would have it in different parts of northern Ontario, because our conservation officers go out on patrol and investigate all of the reports and do their own spot checks as well.

For instance, in Cochrane North and Cochrane South we heard rumours of 30 or 40 moose rotting in the bush. In reality, there were five in the two districts and only two of them could be identified as potential hunting accidents, if I can term them that.

We are going to keep up the surveillance. We will investigate any report of an incorrect kill and try to accumulate that information. If there is a legitimate mistake made, there might be a program of the hunter returning the carcass to the ministry—perhaps if the carcass is returned, no charge will be laid or something like that—and the meat will be disposed of in some other way. Those are the kinds of things that we are prepared to look at in the review in January and February.

We are also prepared to look at the issue of whether or not there should be an application fee when one applies for a licence, which some hunters in northern Ontario said might be

required. The tourist industry's self-allocation process is in its second year. No doubt the provincial and regional boards will have some suggestions on how that process can be improved, as well.

I think we are committed to a selective harvest system, but we are prepared to be flexible on making some changes in order to make it work better. I know a lot of people from my own communities have written to me with suggestions on how it can be improved and we are prepared to try to work those through. We would like to hear from any members who have heard suggestions from their constituents because all the details of the program are not solidly locked in. We are prepared to change.

**Mr. J. A. Reed:** By way of supplementary, and this is a concern that has been brought to me by my own constituents among others: do you know what the level of poaching is in the moose population? Is there any way of being able to assess the impact of poaching on the moose population?

9:30 p.m.

**Hon. Mr. Pope:** It is one of the traditional causes that we have given for the decline of the moose population.

**Mr. J. A. Reed:** Is it significant?

**Hon. Mr. Pope:** In some parts of the province it is significant. That is my own opinion. I have not discussed this with anyone else in the ministry but, in my opinion, in some parts of the province it is significant.

We also have to work out the problem of native hunting, although it is not as serious a problem as people take it to be. However, it is an issue that has to be addressed in terms of general game management. The Indian organizations have indicated their willingness—in fact, they have approached me to discuss game management and game laws because the Game and Fish Act does not clearly apply to them under a number of court decisions.

We have not initiated discussions, but we think there is probably a willingness at the province-wide organizational level for native people to come up with some elements in their management program that can integrate into ours, so we see some hope there.

**Mr. Laughren:** Julian, would you allow a supplementary?

**Mr. J. A. Reed:** The floor is open.

**Mr. Laughren:** Is there much poaching of moose in Alfred Bog?

**Mr. Chairman:** Does that require a yes or no answer or do you want to qualify it?

**Mr. J. A. Reed:** This is obviously an inside joke.

**Mr. Laughren:** It is about the moose in Alfred Bog.

**Mr. J. A. Reed:** Only you would know, Floyd.

**Hon. Mr. Pope:** The backpatch issue—

**Mr. J. A. Reed:** Yes, I think that is perhaps the most important one.

**Hon. Mr. Pope:** I do not know.

**Mr. Laughren:** He admitted he did not know. You need one of your district foresters here, obviously, to answer this question.

**Hon. Mr. Pope:** Right, especially a forester; they think they know about everything.

**Mr. J. A. Reed:** That is the first time I have seen the minister stand up for a deputy.

**Hon. Mr. Pope:** You should hear what goes on. What he says about lawyers is outrageous.

**Mr. Laughren:** That is only when you promote them out of the bush.

**Mr. J. A. Reed:** Let us deal with the back patches. I am concerned about that, seriously.

**Hon. Mr. Pope:** First, every hunter has to have his hunting licence with him. If he does not, that is an offence. If he does not produce it, that is an offence. If someone with a gun is stopped in the bush and he does not have a licence, he has a charge and out he goes.

**Mr. J. A. Reed:** I will put a not so hypothetical case to you. My neighbour is custodian of 500 acres, mostly forest land. He is patrolling it and he comes upon two ostensible hunters, two fellows carrying hunting rifles at any rate. He advises them, first, that they are trespassing, that they do not have permission; second, that whatever it is they are hunting is not in season anyway; and, third, to identify themselves. They simply menace him with their rifles and walk on.

**Hon. Mr. Pope:** Did he call the police?

**Mr. J. A. Reed:** Oh, yes, but can you tell me how the logistics of something like that can be handled? One is half a mile or a mile from the nearest telephone, with a couple of loaded rifles pointed at one with a threat to use them if necessary. The fact is all the laws in the world could rapidly lose their significance under situations like that. Yet those are the situations that farmers and land owners in these areas have to deal with.

It is so unfortunate because they are caused by such a small number of irresponsible people.

The challenge here is, how do you identify the responsible people in this game and weed out these people?

I honestly would like to know. Sure, it could be an offence not to produce the licence, but if you can tell me how I can identify that fellow and have the police trace him to his home, or whatever, or find his vehicle, I would like to know. I would really like to know the logistics of it.

I have had the experience myself, under slightly different circumstances, and obviously not as a hunter with a rifle.

**Mr. Laughren:** He is a canoeist.

**Mr. J. A. Reed:** You hit a nerve.

**Mr. Kerrio:** Fishing out of a canoe, that is real bad.

**Mr. J. A. Reed:** Shooting out of a canoe could be even worse. The question is: how does a person who is unarmed, no equal—

**Mr. Piché:** Common sense has to prevail in a case like that.

**Mr. J. A. Reed:** Of course it has to prevail. Therefore, these fellows go scot free while they proceed to ruin the good name of responsible hunters, and that is the concern.

**Hon. Mr. Pope:** I guess my advice to them is, if it is going to happen anyway, to get a good description of the people and the vehicle they used to come up to the land. There is some real doubt that a backpatch number can be the basis of a conviction, in any event.

**Mr. Chairman:** Those guys would not have the back patch on anyway.

**Mr. J. A. Reed:** They are not required to wear one now.

**Mr. Chairman:** No, but if they were, they probably would not have them on.

**Hon. Mr. Pope:** In fact, most of the people who were committing offences did not wear back patches or sometimes you could not see the number. The northern Ontario hunters did not like it. The whole thing was not working. There was no evidence over a 10-year period, even on a voluntary program, that it helped at all in convictions.

I know what your problem is; I know what you are getting at. You are going to have a very small minority of hunters who will be so inconsiderate and irresponsible. You were quite right to say that. The question is, how are you going to get them before the courts? It was the judgement of the ministry that the way to do

that was to get a good description of them or of their vehicle and to proceed that way.

**Mr. J. A. Reed:** Unfortunately, it does not work in reality. The reaction we are getting to this problem in my riding is that hundreds of people are banding together. They have put an ad in the local paper over the deer hunt notice this year. Obviously they are opposed to it, not necessarily for reasons of deer hunting itself, but they fear that this small percentage of irresponsibility is at some point going to take its toll.

**Hon. Mr. Pope:** I think that is right, and that it is incumbent on the hunting fraternity to balance off that image. We hope they will do that. I think the reality is that the backpatch number did not work. Somehow there has to be another system.

I do not think there is cause for people in any community to decide there should be no hunting at all because a minority of people abuse the privilege. If the people of Timmins felt that way, 32 geographic townships would not be available for moose hunting and they are the most productive moose hunting areas in the province.

**Mr. J. A. Reed:** I can tell you that an increasing number of farmers and so on are concerned enough about it that they are not prepared to allow hunters on their property. It is unfortunate. It is sad. But that is just the way it is turning out.

9:40 p.m.

**Hon. Mr. Pope:** On the issue of humane traps, I was not sure of the point you were making. Is it a question?

**Mr. J. A. Reed:** If the correspondence that I receive is similar to what the minister receives, there is concern about the trapping. There is certainly concern about trapping generally among southern people and from the correspondence I have there is perhaps a concern about trapping in the more populated areas.

One time, I recall correspondence concerning a youngster who had caught his foot in a trap, or something, on a hike. It was on public property. I think I requested that if there was trapping going on there should be signs to indicate traps in the area, just for the protection of the youngsters.

I want to go on record as saying I am glad that the humane trapping is continuing in southern Ontario in order to provide the balance that nature no longer provided.

**Hon. Mr. Pope:** We have been involved in humane trapping there for quite some time. My

first federal-provincial conference was a conference of wildlife ministers and we spent two days on humane trapping. We think there have been a lot of improvements in the past couple of years.

Just last year we passed an additional regulation prohibiting certain kinds of trapping devices, with spikes and what not, that we felt were no longer appropriate and in fact are no longer widely used by the trapping profession.

We were also involved with a group that perfected the Novak foot snare, which is a humane trapping alternative.

**Mr. J. A. Reed:** That seemed to disappear from the face of the earth.

**Hon. Mr. Pope:** The company that was supposed to produce them was unable to fulfil its contract. We have just completed arrangements with the Ontario Trappers Association, which is actually going to manufacture the devices.

**Mr. Kerrio:** Is that a snare?

**Hon. Mr. Pope:** Yes.

**Mr. Kerrio:** Was there no commercial company interested in it?

**Hon. Mr. Pope:** There was, and we actually had a contract with a company for the last two years, I think.

**Mr. Kerrio:** Was this a Niagara Falls firm?

**Hon. Mr. Pope:** Huntsville.

**Mr. Kerrio:** Woodstream Factory Outlet?

**Hon. Mr. Pope:** No. I had the name of the company in my House notes. In any event, the company could not perform under a contract and never did manufacture them. We ultimately said: "You are not performing under the contract. Our relationship is at an end."

We went to the Ontario Trappers Association and it is in the process of manufacturing those snares. They will be available, I think, in the near future for the use of trappers.

I think trapper education courses have assisted greatly. I was able to speak to the trappers last January-February at their annual meeting in North Bay and I was able to address the issue of humane trapping. I indicated that we had to accelerate our education program and look at apprenticeship systems to give first-time entrants more experience before they actually had a trap line of their own. We talked about the frequency of checking the traps and whether or not we should have regulations and what their suggestions were.

I think there is a co-operative mood in the Ontario Trappers Association to recognize the

potential clinical pitfalls of a public controversy. I have really been working with this and our part of the Fur Institute of Canada, which is looking at humane trapping as one of its priorities. We are in the midst of getting the message across to customers in other nations that one of our priorities is to develop a humane trapping program.

Members of the Legislature have written to me on both sides of the issue. It will probably remain as a current issue for some time.

**Mr. Wildman:** Do you mean some people are in favour of being inhumane?

**Hon. Mr. Pope:** Yes.

**Mr. J. A. Reed:** There are just about as many as there are irresponsible hunters. They are a very small percentage and it is unfortunate that they cast a big cloud over the rest of the industry.

**Hon. Mr. Pope:** I think there is a sensitivity at both the federal and provincial levels and in the industry that the issue as a political issue should not get out of hand. So everyone is working pretty hard at it.

I would like to turn to peat, if I may. We did produce the peat inventory and indicate the availability of peat bogs for licensing. In fact, a number of companies have expressed an interest. One of them has received licences from us over the past two years to develop the peat resource. The resource remains available for licensing to companies. There is no distinction between agricultural peat production and energy peat production. We think that on a spot-specific, research-specific basis it is an energy alternative that should be looked at by industry and by municipalities. We are hopeful that is going to proceed.

I do not know if this is the issue you are addressing, but we do not intend to assign the peat bogs with the greatest potential for an indefinite period of time and not have any money spent on them, nor even have the personnel of that company enter upon the peat bog.

**Mr. J. A. Reed:** No, that is not the subject. I am glad you are doing that. The subject came from a complaint from a constituent who owns a bog, had applied for licensing and apparently had been told that the ministry had no interest in granting him permission if the peat is going to be for other than agricultural use.

After having heard you say this, one of two things is obvious. Either he misinterpreted what he was told, or something happened that hap-

pens sometimes, typically, in your unwieldy ministry: sometimes the policy at the ministerial level does not get to the firing line with the same interpretation. Some of the attitudes that prevailed in the past may continue to prevail until there is a firmer directive from the minister's office.

**Hon. Mr. Pope:** We are prepared to issue that directive because we certainly do not have, and I have never seen, a policy directive or a program directive that distinguishes between the different uses. That is not the policy, as I understand it, nor will it be. I will get further details.

**Mr. J. A. Reed:** I appreciate hearing that from the minister and I appreciate the fact that it is on the record.

**Mr. Laughren:** Can you not read the directors' copies of these Hansards?

**Hon. Mr. Pope:** They read them and they just—

**Mr. Laughren:** So that they know the estimates are on?

**Hon. Mr. Pope:** You would be surprised at the comments I get.

**Mr. Laughren:** I will bet you. You said comments did you not, not compliments?

**Hon. Mr. Pope:** Comments.

**Mr. J. A. Reed:** I do not think we should touch that.

**Hon. Mr. Pope:** We happen to believe the new initiatives and the basic programs of the mineral resources branch of the ministry has served the mining industry well. The mining industry recognizes that, except for a few mining municipalities that wish to have floor prices for all commodities and government purchases of inventory of certain mineral products. We think, as well, the mining municipalities feel there is a good liaison and means of communication with the ministry.

We have accelerated our Ontario geological survey program which is providing more and more up-to-date information. In fact the OGS was responsible for producing the 1971 map and the 1979 geological report that led Don McKinnon, John Larche and David Bell to go to Hemlo. We staked that area that had been staked for the first time a century ago.

9:50 p.m.

**Mr. Laughren:** Is it true, minister, that the reason you do not go to the meet-the-miners receptions is because you want to keep a good relationship with the industry?

**Hon. Mr. Pope:** Actually, I was not aware of the meet-the-miners reception. I am not saying they did not send me an invitation. I was probably worrying so much about these estimates that I did not—

**Mr. Laughren:** Too bad, because the directors would have told you.

**Hon. Mr. Pope:** We feel the Ontario mineral exploration program, as I expressed, has been a success and that, by the way, was used by the three junior mining companies that first got involved in preliminary development work in Hemlo. They felt it was the most appropriate government policy to come around in a long time.

Even though those companies were listed on the Vancouver exchange, I think it is clear there was Ontario government money in the development of Hemlo that at the very critical initial stage helped the program get under way. There was much interest and investment by Ontario residents in those junior mining companies.

**Mr. J. A. Reed:** I guess the point that begs here is that the subject is so large it really deserves a set of estimates on its own. Yet here we are involved with some real limitations.

**Hon. Mr. Pope:** We think we are integrating, or doing a better job of integrating, mining people into the total ministry. There is not the segregation or the feeling of segregation there once was. Our regional directors in Sudbury and Coburne are both geologists, and I think that is a first for the ministry.

**Mr. J. A. Reed:** They used to be foresters.

**Hon. Mr. Pope:** We also have biologists now as regional directors. So there are more disciplines moving into the upper tiers of the ministry. Therefore, mining in all aspects is being integrated.

The mineral resources branch has been more closely involved than ever before in things such as the land use planning exercise, comments on forest management agreements and making sure harvesting activities do not destroy the integrity of the claim lines, or that options are found. We think that has been successful.

The small rural mineral development program for industrial minerals, which was initiated last year, has been successful in opening up industrial mineral deposits in different parts of the province, including eastern Ontario. They provide our own analysis of marketing information and future trends in metal prices and production, which many people in the private sector use to make investment decisions.

We think the results of that kind of encouragement and the provision of that information, and spending more time as a priority in buttressing or improving the quality of service at the mining recorders' offices with more information and maps being made available more quickly, a greater supply of the necessary documentation and tags, better copying equipment and more staff and personnel, all of which we have done in the last year, have improved the quality of our service at the field level.

The results have been that we have been able to accommodate this record-breaking year in claims taking and assessment work that has been done on the claims. I do not have the precise numbers, but in the late 1970s, up to the year 1979, we were recording 16,000 claims a year in general terms. That jumped in 1980 to 33,000. It jumped in 1981 to 36,000, but it has been averaging about 33,000 over the past couple of years.

In the first nine months of this year alone, there were 47,000 claims recorded. I suspect it will be close to 55,000 by the end of the year. That will break the record in Ontario set in 1955. We have been able to accommodate that with the additional service facilities we have attempted to put into the field at the request of and in consultation with prospectors, developers and small companies which have been approaching us to improve the quality of the service.

We have met them on a number of occasions and actually made the decision to put more resources out there for them.

I think the feeling is we are taking better care of them as a client group, we are listening to them more and certainly we have had extensive consultations on the Mining Act, which I believe will be introduced next week, which is the product of the consensus of 11 years of study being done by a number of groups in the industry, along with the Ministry of Natural Resources.

**Mr. J. A. Reed:** It had better be good.

**Hon. Mr. Pope:** What we are hoping to do is to put it out for first reading over the break and then review it again and come back through first reading so everyone will have another shot at it.

**Mr. Laughren:** I want to ask a question. At the time, when the minister was talking about the additions to the Mining Act—I do not know if you will recall this or not, it was a couple of years ago—you were thinking about having that go out to a committee and actually having some

public hearings. Correct me if I am wrong, but I thought that was what you were leaning towards. At the time I thought that meant there were going to be very substantial revisions.

When I read your opening statement again—one of the reasons I wanted a copy, of course, was because I wanted to read it again and again and send out copies to your regional directors. I think they have heard it here—

**Hon. Mr. Pope:** Better watch it or I will put you back on my mailing list.

**Mr. Laughren:** It seems to me that you have now cut back and you are less ambitious in your intentions and revisions. Is that fair or not?

**Hon. Mr. Pope:** I tried to indicate the two major areas of concern. There are other changes, some of which I addressed in general principle form in the Canadian Institute of Mining and Metallurgy speech and also in the Ontario Mining Association speech last spring.

The CIMM meeting was about three weeks to a month ago, and there are some significant changes with respect to subsidence and surface rights issues for other user groups and communities.

**Mr. Laughren:** Did you say whether or not you had a change in your intention on how dramatically or how substantially you intend to change the act?

**Hon. Mr. Pope:** I do not know if I can answer that. I think it is true that I ultimately discarded a couple of theories that I was looking at because of the level of work and not wanting to produce any more uncertainty. I think the basic issues I wanted the Mining Act to address are going to be addressed.

At one point, for instance, I was thinking that the results of the work, as well as the detail of the work, should be made available to the public. But I had a number of representations that indicated this might determine investment decisions in Ontario, as opposed to other provinces, and I did not want to jeopardize that.

We think the detail of the work, without the results, would provide a lead-in to any subsequent staker or development company and would refer them to the potential sources of result information.

So some of those things evolved over the past year, but I do not know if I can categorize the process for you. Whether or not it is abandoned, I think there are enough significant changes that will warrant quite some consideration. Of course, we did not just introduce an amendment. It would be a whole new act.

**Mr. Laughren:** Okay. My other question has to do with peat. Is there any requirement now, if someone decides to use peat for whatever purpose, that there is any kind of restoration of the site? Are we getting into the environmental assessment question there?

**Hon. Mr. Pope:** Yes, but I think the quick answer is that we have not had that immediate problem. We do expect the issue of site development will be one of the issues that is addressed and that is why we talk about a licence of occupation system as opposed to staking a peat bog.

10 p.m.

**Mr. Laughren:** Would that not be a natural? I know you have a concern about the environmental assessment process, but would that not be a natural for environmental assessment?

**Hon. Mr. Pope:** On a project-by-project basis? I do not think so.

**Mr. Laughren:** Why?

**Hon. Mr. Pope:** Because I think you are trying to encourage its development, and at this stage—I am not saying the process turns off development—there is not the kind of interest in putting capital into peat development.

**Mr. Laughren:** Right. But, is that not the point though; that if ever the time comes when you do have a lot of interest, then you are going to be really hesitant to use the environmental assessment process because of the pressures of development?

**Hon. Mr. Pope:** We have attempted to distinguish between major developments and minor ones. When you are talking about skimming off, for instance, a foot or so for agricultural peat, it is different to actually mining the entire bog for energy uses or for full-scale production.

**Mr. G. I. Miller:** Is anybody using peat now that you know of?

**Hon. Mr. Pope:** Not much.

**Mr. G. I. Miller:** We had one request from people in Caledonia who wanted to bring it down for fuel purposes. That is not being utilized.

**Hon. Mr. Pope:** We attempt to distinguish between large-scale development and small- or medium-sized developments. If they are deemed to be a major undertaking, which is one of the key phrases, it is imperative that the Ministry of the Environment be notified in accordance with our directives, and the directives of the Ministry of the Environment under the Environmental Assessment Act. Then the processes fall in.

We have not had to decide, at this point, what is large scale and what is small or medium scale.

**Mr. Laughren:** What figured in my mind when I was up in Hearst on a forestry tour is that there is a bog fairly close to the BioShell plant, which the member for Cochrane North (Mr. Piché) would be familiar with, I am sure.

There is potential for that BioShell plant to use peat and process it for fuel. It is not about to happen immediately, but I am wondering, in a situation like that, what would they have to go through?

**Hon. Mr. Pope:** They would have to apply for a licence of occupation from us, for development of the peat bog.

**Mr. Laughren:** That is like a land use permit, almost, is it?

**Hon. Mr. Pope:** No. There tends to be development requirements in the licence with a schedule, and the requirement of expenditure of a certain amount of money to keep the licence of occupation in good stead.

Then it would be decided whether it is a major or minor development. If it is major, it would flow automatically through MOE.

**Mr. Laughren:** Oh, I see. But do you have the criteria as to what a major development is, and what is not? Is that automatic?

**Hon. Mr. Pope:** We have a joint interministerial committee which would make that determination. MOE is involved in it. MOE and my ministry look at it.

**Mr. Laughren:** To determine whether it is major—

**Hon. Mr. Pope:** Yes.

**Mr. Laughren:** So we should actually be asking Norm Sterling that then.

**Mr. G. I. Miller:** Is the ministry interested in developing it as a fuel—

**Hon. Mr. Pope:** Well, we used satellite mapping to map out all the peat.

**Mr. G. I. Miller:** Have you used it?

**Hon. Mr. Pope:** Ourselves?

**Mr. G. I. Miller:** Yes.

**Hon. Mr. Pope:** No. Because as a ministry we have not become involved in the construction of major facilities that would require it.

**Mr. G. I. Miller:** Not even on a small scale?

Floyd, are you going to give your opening statement now?

**Mr. Chairman:** The minister is still answering, are you not?

**Hon. Mr. Pope:** Oh yes, I have quite a bit left to go. At least half an hour anyway.

**Mr. Chairman:** Twenty-five minutes.

**Hon. Mr. Pope:** I do not think we have a protectionist mandate in mining. I think the results show, particularly in precious metals, that the policies, the information and the geological surveys we have done have had a positive impact on mining development. That is why we have all the accelerated activity in Ontario, stimulated by a couple of major finds, no doubt about it.

We think the picture for the precious metal mining industry is fairly good, irrespective of the price and the absence of a precipitous decline in price, of course, but that does not appear likely, and that we will continue to get additional developments. In fact, two additional major finds in precious metals in different parts of northern Ontario are due to be released any day, and it is not all located in traditional gold-bearing rock areas.

Geologists are now taking hold of new geological principles and evolution that are changing the normal concepts of geology with respect to precious metals. Hemlo was one such development and there are other areas of the province that are now the subject of considerable staking activity and considerable development and assessment work.

As I say, we believe in the next year to year and a half there will be major mining activity and production in different parts of northern Ontario.

We also think it is important that medium- and small-sized deposits are developed, because they are widespread throughout the north and because they can provide some stimulation for the local economies. That is one of the reasons we put the custom milling program into place.

Individual property owners who want to get into development of mineral potential and the refining of ore, either on the surface from older mines or near the surface for surface operations, can go at their own pace and use the services of an existing custom mill, and process their ore through in lots, a week at a time or a week every month, on a regular basis. They can get comprehensive assay reports and adequate recovery and use the capital generated by that processing to reinvest in their properties, which we think is an attractive alternative to always seeking public financing or loans from the traditional financial institutions.

It is a tough program. It is a new program that

we are trying; it is going to take some time to see how well it works. We believe that the outlook for the mining industry is a positive one.

I will see if I have to deal with the issue of aggregates tonight. If not, I will wait until Julian is back because he has a specific interest in his own riding.

Flood plain mapping has been a longstanding issue that goes back well beyond my time. The committee now reviewing it is all nongovernmental except for the chairman, Mr. Taylor. We approached the Ontario Real Estate Association, the insurance agents, the financial institutions, the Association of Municipalities of Ontario and asked them all to make recommendations for appointments to the committee and, based on those recommendations, we appointed members to the committee.

As I indicated in my opening statement they have held hearings throughout the province to review all issues related to flood plain mapping, the criteria and the activities of the conservation authorities and the Ministry of Natural Resources in administering the policy we have.

Quite frankly, the conservation authorities have a long history in the province, going back to 1944 when they were first conceived as part of the conservation movement in Ontario. The first act came in in 1946.

Since that time select committees of the Legislature have looked at the mandate and authority of conservation authorities. There have been numerous changes to the act, including one debate in 1971 which took place when the change in the criteria was discussed in the Legislature. It was changed from the high water mark, which we were having more and more trouble distinguishing or defining, to the regional storm system.

Then we applied three different sets of criteria for regional storms across the province: the Timmins storm, which took in northern Ontario and part of eastern Ontario; the Hurricane Hazel criteria, which took in Metro Toronto, southwestern Ontario and a little bit of central Ontario; and the one-in-100-years criteria, which took in the rest of the province.

**10:10 p.m.**

That is different from other jurisdictions, but other jurisdictions do not have Ontario's vast size and its number of watersheds. Most other jurisdictions, such as the United States, including the United States federal criteria and most other provinces, have one-in-100-years or one-in-200-years storm criteria or flood plain poli-

cies. Of course, one of the issues this committee is reviewing is whether or not we should have just one single, province-wide standard and if so, what it should be.

I think it is difficult to develop a set of criteria for each watershed. As I understood some of the criticism of our existing policy, many people felt it was preferable to have a province-wide standard as opposed to a watershed standard because of the fact that you would not have certainty and you would have different sets of standards in each watershed and that could affect development.

I do not believe that putting a declaration on a deed that the land is susceptible to flooding necessarily solves a lot of the problems discussed in front of Mr. Ferguson when he held his hearings earlier this year, or which were brought to my attention by those who see some difficulty for themselves personally with the flood plain policy.

They indicate they have a problem with insurability and with value of property, which would not be resolved by a declaration in a deed; they would still have those problems. They also indicated they would perhaps have a problem in obtaining mortgage money or renewing a mortgage and these problems would not be helped by registering on the deed the fact that the area is susceptible to flooding; you would have the same problems confronting you.

So in that respect, I do not think it would solve the problems. For some who wish to develop the land, it may solve the problem. Whether or not it would affect the sale of homes in a subdivision developed on flood plain land is another issue. I do not think that simply registering a declaration on a deed and saying that there should be no expectation of government assistance if you build on a flood plain would solve the demand for government assistance when natural flooding occurred. That has not been the experience of the government.

There are four different areas in which flood plain mapping is actually done. The flood plain areas were publicly known before flooding occurred and in every single instance when flooding did occur, there was a demand for government assistance for flood damage relief by the municipalities and by the individuals involved. I reviewed some of that history when I was looking at the different issues in flood plain mapping and flood plain programs.

The four areas were Thunder Bay, Field or Sturgeon Falls, Port Hope and Windsor. In

every instance, flood plain mapping was done before the actual flood event. In every instance, the actual flood took place almost right on the flood line and there was a request to the government for flood damage assistance.

I am not convinced at this time that a simple declaration and a simple statement that, "No, we are not going to pay flood damages," is going to actually be the end of it. I do believe, however, and I have said this directly to the conservation authorities, that there is a need for flexibility and a need for province-wide consistency in the application of flexibility in flood plain criteria. That has not always been the case, and that has created some problems.

When Mr. Ferguson went down to the Niagara area he found that particular conservation authority rather flexible when it had been approached. In fact in examining all the applications made to that authority he only came up with three instances where there had been an outright refusal of a development permit. In those instances there were rather flagrant developments that the authority felt it could not allow to proceed. In all other instances there had been some degree of flexibility.

Mr. Ferguson made those findings after hearing the people from that area for three days in the spring of the year.

I have sent that report down to the flood plain fighters in the Niagara region, and I asked the Taylor committee to go back down there and—in a less formal setting without all the processes in place—hear again some of the complaints and the people's fears about what flood plain mapping would mean for them. I think they have finished their meetings by now and their report, I hope, will be in my hands by the end of the year.

Mr. Reed asked me this specific question, and I am prepared to actually review the criteria and the way the program is administered, and if we feel we can make some changes to benefit both the private land owners and the conservation authorities, then we will be ready to do it.

By benefiting the conservation authorities I mean improving their processes of notice and providing information so that people can go in and have a look at the engineering reports and some of the decisions made by committees of the conservation authorities with respect to flood plain matters.

**Mr. Laughren:** Could I comment on that? Or would you rather I wait until—

**Hon. Mr. Pope:** Sure. Go ahead.

**Mr. Laughren:** The reason I want to do it now is that I want to commend you. On Tuesday night we will have very few commendations so maybe I could say something good at this point.

I do want to commend you for tackling this problem. It is serious. It is a no-win political issue, in my view, and I think it is a very difficult one. But I think the minister chose a good person to head it up in Jim Taylor. He should do a very good job.

I think it is an important issue. It is a tough one, because my phone rings, as do other members' phones, every time there is a flood. I could show incredible examples of people building where for years there has been flooding. It is unbelievable. I think it is a tough task you have tackled but an important one.

**Hon. Mr. Pope:** I think Mr. Reed is quite right as well that there are some things that can be developed in the flood plain, and should be. Hydraulic generation stations is one of them. Also water and sewage treatment facilities are other obvious examples of the kinds of projects that should go ahead in flood plains.

At the risk of getting into an issue that I know Mr. Laughren will be dealing with in the next session, flood plains also happen to contain a very important ecological feature; that is, they are generally associated with wetlands. Therefore, it is particularly important, when talking about preserving flood plains or protecting them from development, that one also realizes he is, to some degree, also protecting important wetlands in the province that have a lot to do with purifying our water supply system and providing a natural habitat which our fish and wildlife can use.

One cannot say flood plain policy should not be pursued because it is detrimental to private ownership and on the other hand encourage me to acquire wetlands and develop a wetland policy, which would not necessarily mean acquisition. If wetlands are important, and we should protect wetlands by acquisition and by zoning, one must be consistent and say we should also be protecting, acquiring and zoning for flood plains.

**Mr. G. I. Miller:** It was an issue in Simcoe, and you had a firsthand look at it. It meant that one could not rebuild in an area that had been utilized for years and years. I think there has to be some reasonableness and common sense in the approach to it, so that you cannot put somebody out of business without any remuneration. I think that is important.

How soon do you expect to implement the recommendations that the committee will be making? Is there a time frame on that?

**10:20 p.m.**

**Hon. Mr. Pope:** Yes. The committee is going to report in December. I wanted to say as well that the wetlands policy is out of our hands and in the hands of a committee of cabinet, to be pursued and brought to cabinet.

**Mr. Laughren:** That is a cop-out.

**Hon. Mr. Pope:** How else can we get a policy approved if it does not go through that process?

**Mr. Laughren:** Who has the responsibility for wetlands? Which is the lead ministry?

**Hon. Mr. Pope:** The government of Ontario approves policies. If you do not want to have a policy on wetlands, then you do not go through the cabinet process. If you do not want to have a policy on wetlands under the Planning Act, which is surely where you want it to be because it will then have formal status for planning purposes, then you do not go through the cabinet process.

I think it is important that the wetlands policy be adopted by cabinet and that it be part of the Planning Act and its provincial policy statement section, which will be referred to by municipalities and by individuals when they are making their planning decisions.

I do not think it is a cop-out at all. I think it is the only way we are going to have a strong and enforceable wetlands policy. I know you do not understand the systems of government, because you are not part of the government, but we are convinced the wetlands policy combined with the flood plain program, properly implemented with some flexibility, will accomplish a good deal of our goals in terms of the water policy of the government of Ontario.

**Mr. Laughren:** You are playing games with the wetlands policy.

**Hon. Mr. Pope:** I am not playing games at all.

**Mr. Chairman:** I think we heard that when one other set of estimates was being reviewed here.

**Hon. Mr. Pope:** I might add that in my submission to the International Joint Commission on water policy for the Great Lakes, I also indicated one of the features that had to be protected and could be impacted by diversions or accelerated consumption of our Great Lakes water was the wetlands.

**Mr. G. I. Miller:** Was it this week that you made that submission?

**Hon. Mr. Pope:** No. That was in June.

**Mr. Laughren:** You are not going to refer to the Reagan administration next, are you?

**Hon. Mr. Pope:** Under the leadership of President Reagan, I know this issue will be dealt with.

**Mr. Laughren:** Oh, I see. Well, you had better do what he wants or he will invade.

**Mr. G. I. Miller:** Are you going to make any comments now on the issue of Great Lakes water protection? There is one question I would like to put to you, and it is sort of urgent. It is in regard to the marina that is being put in at Port Dover—

**Mr. Chairman:** Well—

**Mr. G. I. Miller:** No, no, Mr. Chairman. Just a minute. They are dumping slag from Stelco. They just started within the past few days. The council of the city of Nanticoke is concerned about whether that is going to affect the fishing in the area.

I just want to put it on the record. I do not necessarily expect an answer now, but perhaps the minister could come up with an answer. The council and the fishermen are concerned as to whether it will have any ill effect on the fishing industry in that area. I wanted to raise it today—

**Mr. Piché:** That would be a good question to ask in the House. I'll give you my spot if you want to ask me tomorrow.

**Mr. Chairman:** The minister is trying to finish off Mr. Reed's—

**Mr. Laughren:** Maybe the minister will refer that to a cabinet committee.

**Mr. G. I. Miller:** No, I just want the Minister of Natural Resources to look at it.

**Mr. Laughren:** Norm Sterling will look after that.

**Mr. Piché:** Mr. Chairman, Mr. Reed has left. Why should we go on and on answering Mr. Reed without him being here?

**Mr. Chairman:** He probably reads Hansard.

**Hon. Mr. Pope:** The CL-215 issue is one I would like to deal with in the last seven minutes. There are a number of factors to be considered, and I do not think it is as sinister as Mr. Reed has represented it to be.

We had a program in the 1970s for the acquisition of Twin Otters, which could carry out a number of functions, including water bombing and transportation. I was in the ministry, and that was our priority acquisition program during the 1970s.

**Mr. Piché:** Are you considering having some kind of commissioner in your ministry to look after transportation in the north, especially in the far north?

Mr. Chairman, you want to say something. What are you going to say now?

**Mr. Chairman:** I was going to ask you to hold your comments until later, if you do not mind.

**Mr. Laughren:** Is that priority acquisition program the one that is commonly known as PAP in the ministry? The same one?

**Hon. Mr. Pope:** I do not know.

**Mr. Laughren:** He does not know. Would you get a district manager in here to answer that question?

**Hon. Mr. Pope:** At that point there was not a federal-provincial agreement for acquisition. There was not a federal position with respect to a national water bombing fleet or a national fire protection program; one has since been developed over the past four years.

The CL-215 did not have any field experience or field testing in the mid-1970s. Subsequently it was tried out in Europe, with some success in Greece and France. The tests in Quebec showed that it had some promise, and that was in July 1982.

We leased a CL-215 for the summer and put it through some test performance runs in Ontario to see whether it met our needs. When the federal government came up with the national water bombing fleet policy, we were pleased to participate in it, as were other provinces. That was why the ultimate contract for seven additional CL-215s was entered into by Ontario.

Our two CL-215s have performed well, with their capacity and speed, and they have been improved for water bombing. This was the first time we really went into the acquisition of heavy water bombers in the province. Previously we had leased Cansos, which were available on a bid system. Every year we would lease Cansos from the Flying Firemen of Sidney or from Avalon Aviation in the Parry Sound area; generally both. They were the two traditional bidders for heavy water bombing contracts.

**Mr. Laughren:** Not from Austin Airways, I hope.

**Hon. Mr. Pope:** Not that I am aware of. I should check that out.

The private sector provided us with heavy water bombers on a lease basis for a set time during the summer months. We did not have the capital costs and maintenance of a heavy water

bomber for the entire year, when it was being used in the forest fire season only.

However, the economics of it changed, with the participation of the federal government. It covered part of the purchase price, and matched one-for-one—with one extra one thrown in—to give us partial credit for the two we had already acquired. I have to reiterate that it was a straight one-for-two trade in terms of the Challenger versus the water bomber. There was no additional money involved.

We are now committed to nine water bombers in total. Other provinces have since joined in the national water-bombing fleet system and have made final arrangements with the government of Canada. In total, 28 heavy water bombers are now scheduled for production out of Canadair Ltd., to be dispersed to different provinces across the country.

It will be tied in through the Winnipeg-based Canadian Interagency Forest Fire Centre as part of the national water bombing fleet and available for use in provinces as emergency situations arise, supplemented, of course, by continuation of the private leasing program for the Canso water bombers as an adjunct to our CL-215 heavy water-bomber program.

We think the national forest fire centre in Winnipeg will play a key role in making even more CL-215s available to Ontario in emergency situations. There will be even more CL-215s available, therefore, than the nine we will have by 1987. It will greatly enhance our capabilities, particularly in northwestern Ontario, for suppressing forest fires.

We think we properly tested this piece of equipment before we acquired it. We saw the experience in other jurisdictions, and the limitations. We think the product has improved over the past couple of years. The numbers, financially, were right for Ontario to get into it. Therefore, we are committed to continuing with the use of the CL-215s, for the foreseeable future, in our forest firefighting activities.

**Mr. Williams:** Those interprovincial and off-group agreements for the exchange of firefighting equipment, are they standardized agreements, or do they vary from jurisdiction to jurisdiction? What are the cost arrangements involved; are they also variable?

**Hon. Mr. Pope:** No. In the system as it now works—and now every province has joined;

Quebec was the last one that did not join, but in September of this year announced that it would—the arrangements are that information on all types of equipment available for forest fire suppression is maintained at the Winnipeg centre. It is updated continually and put on a board. The severity of the hazard is rated across Canada. Actual occurrences are charted on the board, and equipment is moved back and forth. The charge for the service is a standard charge.

We find that by pooling our resources we have more than adequate resources of equipment and men and trained crew bosses to deal with pretty well any forest fire occurrence across Canada. In fact, in the past we have sent crews and equipment to British Columbia and Alberta to assist in their problems, and they have forwarded equipment to us when we have had a problem.

**Mr. Williams:** Are those charges on a per diem basis, an hourly basis, a weekly basis, or how is it arranged?

**Hon. Mr. Pope:** It is a unit basis. The units could be hourly or weekly, depending on what we are dealing with. It is hourly for employees, for instance, and weekly charges for equipment.

**Mr. Newman:** Do you have reciprocal agreements with the states bordering our boundaries?

**Hon. Mr. Pope:** Yes. We are starting to on a more formal basis, but on an informal basis we did in any event, on a chargeback system. For instance, in mapping the major fires in Kenora in September this year, we used an infrared scanner from the United States, because the one in Canada was already on duty in another province.

**Mr. Kerrio:** It does make good sense. It is the shorter distance to travel, rather than going across one province to get a scanner from another province.

**Hon. Mr. Pope:** In 1982, we supplied equipment to Idaho and a number of other states that had a problem.

**Mr. Chairman:** Committee members, our time has expired for this evening. I think there are still a few more replies to make to the official opposition's leadoff questioning, so we will go back to that at 7:30 on Tuesday evening. We will be back up in room 228, I presume. The meeting is now adjourned.

The committee adjourned at 10:33 p.m.

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No. R-18

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# **Hansard**

# **Official Report of Debates**

## Legislative Assembly of Ontario

**Standing Committee on Resources Development**  
Estimates, Ministry of Natural Resources

**Third Session, 32nd Parliament**  
Tuesday, November 22, 1983

Speaker: Honourable John M. Turner  
Clerk: Roderick Lewis, QC

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# LEGISLATIVE ASSEMBLY OF ONTARIO

## STANDING COMMITTEE ON RESOURCES DEVELOPMENT

Tuesday, November 22, 1983

The committee met at 7:45 p.m. in room 228.

### ESTIMATES, MINISTRY OF NATURAL RESOURCES

(continued)

**The Vice-Chairman:** We will recognize a quorum. Mr. Laughren, you wanted to ask some questions before we got back to the Liberal critic's comments.

**Mr. Laughren:** Because of the way the votes are in these estimates, bizarre though it be—and I do not know why you keep doing this, minister—we are leaving mining and forestry almost to the end, to the second-last vote.

The problem is that that often gets us into difficulty, maybe because of the opposition's temptation to talk about all the votes between the beginning of the estimates and the forestry and mining vote. I really would like to see us agree to leave a session for mining and a session for forestry towards the end of the estimates.

**The Vice-Chairman:** You know what happened last time, Mr. Laughren. I could get out Hansard, and I think you could see word for word in Hansard what you just said. As a result of that, I think we put aside the last 10 hours for mining and forestry to be assured you would not get caught short on time.

**Mr. Laughren:** All I am asking is that we do that. I do not see your point, sir.

**Hon. Mr. Pope:** As I recall last year, that was the understanding. Then the party which is not represented here changed its mind on it, as I recall.

**The Vice-Chairman:** I think we made ample time available last time because you raised that point.

**Mr. Laughren:** It has to be the whip, the whip himself.

**Mr. Stokes:** Is he coming down?

**The Vice-Chairman:** Mr. Newman, your critic has let us down on two consecutive occasions. He has left us hanging at the end of the allotted time. He was scheduled to come on again at the next opportunity. He did not show up for half an hour the last time.

**Mr. Stokes:** The minister is replying to the

opening remarks by the Liberal critic, Mr. Reed. He is not here. Is there any objections to Mr. Laughren going on and completing his opening remarks without interruptions?

**Mr. Newman:** None whatsoever, provided he does not use up the full time.

**Mr. Laughren:** No, no.

**Mr. Newman:** You all know there are 18 hours. I have some issues I want to raise with the ministry.

**Mr. Stokes:** These are just opening remarks.

**The Vice-Chairman:** He is going to be on for about an hour to an hour and a half, he assured me this afternoon.

**Mr. Laughren:** I am a little nervous about this situation.

**The Vice-Chairman:** You are free to ramble.

**Mr. Laughren:** No, I am talking about the vote on forestry and mining.

**The Vice-Chairman:** I was being quite serious. As I recall, because you raised that concern last time, we did allow ample time and we will do it this time.

**Mr. Laughren:** May we do it this time?

**The Vice-Chairman:** Why not?

**Mr. Laughren:** Is that an agreement?

**The Vice-Chairman:** That is the heart and soul of the estimates.

**Mr. Laughren:** All right. I am glad we have agreed upon that. I am quite happy to proceed.

First of all, I thought I would make some comments about the minister's opening statement and attempt as always to start off in a positive vein because it is going to be very difficult to maintain that—

**The Vice-Chairman:** What are you going to do after eight o'clock?

**Mr. Laughren:** The main part of my opening remarks.

I think the water supply mapping is a good initiative and the ministry should be commended for it. The minister's statement on water diversion was a relatively strong statement and one with which I agree. I think it is going to become an issue that causes some tension in the next decade or two.

A minor point, but nevertheless important to a lot of people, and as a family camper I am one of those people, is the signs in the parks. I have been terribly frustrated from time to time with the problems in the parks. The ministry has good people in the parks I visited who really want to do a good job. Putting up the signs will, I hope, help them do the job as well. Provincial parks are, by and large, family campgrounds and it is important that we maintain that.

I also commend the recreational boating initiatives. I believe they are important.

With respect to the comments on the fishing agreement, that is a very difficult issue. I feel the federal government has been incredibly cynical in its approach on the fishing agreement and in what it has done there. Personally, I think it is not going to be possible to regain the ground that has been lost on the fishing agreement because of the feelings out there. I regret that. It is not the fault of this ministry; it is the fault of the federal government.

Finally, any time you mention Paul Yakabuski in your opening leadoff, I think it has to be a sign that you care about the little people in this world. That is the only indication I have seen; nevertheless, it is there.

More on the downside, I really was flabbergasted there was no mention of wetlands. You know that is an issue and I guess that is why you did not mention it. You have an obligation to talk about wetlands. I believe that is more important than most people in your ministry are willing to admit. I must say I came late to that issue. I confess to that, but I am convinced that it is indeed an important issue. If I recall correctly, there was no mention whatsoever.

In a relative sense, I also think mining and forestry were given short shrift in your opening remarks, if you look at the significance of those two sectors and the amount of time you spent in your leadoff.

Last but not least, an omission I found most surprising was that you did not pay tribute to Ed Fahlgren once.

**Hon. Mr. Pope:** Did you want a longer speech?

**Mr. Laughren:** Not once did you mention the work Ed Fahlgren has done on behalf of your government.

**Hon. Mr. Pope:** I apologize.

**Mr. Laughren:** Not once did you mention the yeoman's job he is doing to prevent you from coming to grips with a large number of issues. You expressed no appreciation for that whatso-

ever. It is not like your government to ignore the people in the trenches.

**Mr. Stokes:** I cannot stand this; I have to get out.

**Mr. Lane:** You cannot take it, Jack?

**Mr. Laughren:** It seems to me to be important that generals recognize the troops in the trenches. For you to ignore Ed Fahlgren is not appropriate. You are the general, and he is one of the soldiers making life bearable for Tories in Ontario. I do not understand that.

In your response to my remarks, I hope you can make some comments about the Royal Commission on the Northern Environment and what you anticipate happening there. Perhaps you could share with us any of your more intimate moments with Mr. Fahlgren vis-à-vis the issues north of the 50th parallel. I will wait for that.

**Mr. Stokes:** You are talking about a fellow you will never see.

**Mr. Laughren:** If I could talk more directly about the ministry's responsibility now, I believe it is—

Interjections.

**Mr. Laughren:** it is going to be a long evening.

**Mr. Piché:** You created problems for me tonight in talking to the Canadian Broadcasting Corp. Thanks a lot.

**Mr. Laughren:** Does it have to do with the nursing home?

**Mr. Piché:** No. It has to do with the Sensenbrenner Hospital, a matter that should have been resolved a long time ago.

**Mr. Laughren:** If Frank Miller was still Treasurer, that would have been resolved.

Interjections.

**Mr. Laughren:** Back to Queen's Park Place, René.

In conclusion, I do want to get into the problems of the ministry. I think some of the issues within the ministry have been precipitated by the minister himself; others just tend to be there. For example, the native fishing agreement was precipitated by the minister by the very fact that he went out, drew up the agreement and signed it. Then there was the whole question of parks back in June, the land use process.

Other matters are issues because the minister has not done anything about them. I referred to the wetlands and to problems in the mining communities in northern Ontario. There are

some issues the minister has created an issue around and others that have become issues because he has not done anything about them.

The most bizarre of all is the whole land use process. Moving from the strategic land use plan to the strategic land use guidelines is not easy. I understand that, but the minister caused a lot of agonizing across Ontario. To end up with guidelines instead of plans is bizarre, to say the least.

I have letters from people in this ministry telling me to relax, that when the land use plans are finalized, control over this land will be definitive and then they can talk to me in a more serious way about exactly what can be done with that particular area in terms of development and so forth. As far as I can see, that is still up in the air.

In a general way, I understand that this is a difficult ministry. As well, the minister has a lot of help. You would not know it by the way he summons people to these estimates, but there is a lot of help out there. There is a lot of good help. I am invariably impressed with the quality of people within his ministry whom I deal with both as a local member and as a critic of Natural Resources. I think he has some very good people out there. I wonder sometimes whether a lot of those people feel significant in the process.

That is the reason I raise it every year as an issue here. They should feel more of a part of the estimates and of the running of the ministry. Without them, the minister has a pretty hollow job himself. I think it is important for them to be part of that process.

I am concerned too about whether or not the minister is really in charge of his ministry or if other people are running it. I wonder why so many promises that have been made by this minister have not been kept. I will not fall back on that hackneyed old cliché about promising to keep the promise. I will not talk about that.

8 p.m.

Why does this minister allow himself to break promises that are in writing, that are in Hansard? Why does he not carry through? I am worried about the deputy minister doing things on his own without the knowledge of the minister. I think that is fundamentally wrong. I know there is information being withheld by the ministry for political reasons. That is even more fundamentally wrong. You really do have a bunker mentality. You do not see the sharing of information as being part of your responsibility. Surely it is.

For that reason, I would like to move, first,

into forestry where there have been obligations not met and promises not kept. I will list them for you. By the way, I would like to deal in more detail with some of these things during the forestry vote. You will respond as you like, of course, but I do not intend to go into great detail on all of the forestry material during the leadoff. I think that would not be appropriate, but I would like to go into more detail during the forestry vote.

The promise is not kept. It is not fair to make that kind of allegation without giving you examples. Right here in these estimates you promised to table a forest production policy. I will be very specific. You said, back in the 1981-82 estimates: "The forest production policy is currently being reviewed with the intention of producing a new document by April 1983. It is expected to incorporate updated costs and technical procedures, revised regional targets, a plan for improved integration with other ministry systems and programs, a lay person's version of the document for distribution to the general public and an annual report format procedure for informing the Legislature on the state of Ontario's forest management programs year by year."

That is a very specific promise. As far as I can tell, that promise has been broken. You promised to do it by region and district. That has not been done.

I believe a number of the management plans of the companies under the forest management agreements are not up to date. I believe the wood utilization policy has not been tabled. I will not ask you to tell me I am wrong, but I would ask you whether or not it is true that the utilization policy has been completed for some time now, for at least a year. That is a long time. My information is that it has been and that it has some very specific recommendations in it, but you have not released it. I would like to know why.

There was a promise for a wasteful practices policy to be tabled. What you did was very quietly table—you did not notify me and I doubt if you notified the Liberal critic—the documentation on the charges laid, the fines and the violations under the Crown Timber Act. You tabled that with the Clerk. I do not recall ever hearing about it or being told about it. I do not think that is fair. There is a report on wasteful practices that is with the deputy minister. I do not know why. Why would you have that report and not release it? Surely we have a right to that. That is not yours; that is ours.

We asked Mr. Chaudhry of your ministry for a province-wide survival data analysis by region and by district. That went to the deputy minister several months ago, but we do not have it. I do not know why. It is not your information; it is ours. You do not have a right to keep that.

That is what I meant earlier when I said that you retain information for political reasons, and that is not your job. It is not your obligation.

The Obonga Lake Road agreement: I have read the proposal that was put forth by Domtar. I believe that has been violated, both in terms of the age grouping of timber that has been cut and the volume. I believe that that has been violated without any intervention on the part of the ministry.

The Maple research station: while it is not closed, who knows what is going on there? I think it is an awful way to operate or to treat scientists. They do not know what is coming next, and I would not know either when I read the deputy minister's statements or read your comments or hear what you are saying. I do not think that is the way you treat people who are doing what I think is excellent work in research. You do have good people out there.

What particularly bothers me is that time and time again, when we were around the province—and my colleague the member for Lake Nipigon (Mr. Stokes) was with us almost all the time—we were struck by how primitive some of the research still is in forestry. We heard debates about how far apart to plant the trees. That is very primitive debate for a province that has the kind of forestry industry we have. Yet with that kind of debate going on you leave hanging over the heads of our research station at Maple the possibility of closure. At a time when we need a boreal forest research centre in the north, you talk about closing down research.

I will have more to say about this under the forestry vote, but I know what has been said about the kind of research being done and the transfer to the universities and so forth. Put yourself in the position of part of a team doing relevant research at Maple and think about how you would feel with that sword hanging over your head.

I have always believed that it is the minister who is responsible for the ministry, and so I almost never talk about the responsibility of others in the ministry, but I was surprised when I asked the minister in the Legislature about the letter from the deputy minister to the Toronto Star threatening legal action and the minister was not aware of it.

You may think these mean words, but I regarded that letter as one of two things: a bluff or intimidation, one or the other, one of the two, because you cannot expect to have things always your way in articles that deal with areas within your responsibility.

I do not know what kind of message you were trying to give to the media—that they must not write these kinds of articles because there might be some errors in them? My goodness, if I threatened legal action—with my limited financial resources I suppose it would not be much of a threat—but if I were to threaten legal action every time I thought the media misrepresented my case, I would have been in the courts since the day I was elected.

I do not understand that kind of approach to running the ministry and to the whole very significant issue of reforestation in the province, and I think that was a significant error in judgement.

I would like to know what the results were of the meeting that the deputy minister had with the people at the Toronto Star. I know there was an article and a letter in the Toronto Star, and I would like to know further what came from that meeting and to what extent you are determined to proceed with your threat of legal action. I would be very interested in knowing that.

That letter to the Toronto Star bothered me because it came on the heels of our own attempts to gain information. When we created the New Democratic Party task force on forestry, we saw it as a legitimate effort by an opposition party to learn more about the state of forestry in Ontario.

**8:10 p.m.**

We, as an opposition party, have a legitimate and important role in the province and when we see the government resisting and resenting that legitimate role, it gives us pause for thought as to how you view your role as a minister and as part of a government. It is almost as though it is your toy and you think: "Don't you people play around with it. It is ours, and you do not have the right."

I will be very specific in this case. I had written a letter to the director of your forest resources branch asking for very specific information on the large licence holders and how successful they were in reforestation. The reply came back. There were some phone calls made, with me asking for the top 15 and that was negotiated down to nine. We had no problem with that. We understood it was going to be difficult with 15, so we were not being hard line

about it. We said, "Nine will be fine," and that was agreed upon in writing back on August 19.

Then there were phone calls back and forth and so on, and then we received a letter from the deputy minister on October 24. That was August 19 to October 24, two months, and we knew that the information was on the deputy minister's desk. We knew, as well, that the rules of the game were changed when we created our task force, that no longer were we going to be allowed to phone your ministry and get information which we are absolutely convinced we have a right to have.

Those are public forests on public lands. They are not yours and they are not the companies'. We have a right to that information, and you changed the rules in the middle of the game because we had created a task force, we were travelling in northern Ontario and we were releasing data obtained from your ministry. You can talk all you like about manipulating the figures. They came strictly from your ministry—strictly. We will get into the specifics of those numbers.

**Hon. Mr. Pope:** We sure will.

**Mr. Laughren:** We sure will because we played no games with those numbers whatsoever. We took the figures you gave us, using the definitions you have used for years. As soon as we did that, when they were unflattering you suddenly got on your high horse and accused us of misusing the data or misinterpreting the data.

**Mr. Piché:** And rightly so.

**Mr. Laughren:** I see, rightly so, using your information—

**Mr. Piché:** You are not the government. You created a task force and you went into the north. Some of the items you brought up were not factual. I know that and you know that.

**Mr. Laughren:** No, I do not know that.

**Mr. Piché:** I know that because I am from the north.

**Mr. Laughren:** I will show you every number—

**Mr. Piché:** That is why the NDP would create a task force when we have a government that can do these things. Your facts were what you wanted.

**The Acting Chairman (Mr. Lane):** Mr. Piché and Mr. Laughren—

**Mr. Laughren:** I think this is what the minister assumes, as well. That is the arrogance of government—

**Mr. Piché:** No, no.

**Mr. Laughren:** That is the arrogance of majority government. You think of the opposition as a nuisance—

**Mr. Piché:** No. It is the arrogance of—the people elected this government to govern them, and you have not been elected. You are going all over the north telling all kinds of stories that are not factual. You know that.

**The Acting Chairman:** Mr. Piché, Mr. Laughren has the floor.

**Mr. Piché:** I am on the side of the government—

**Mr. Laughren:** Tell me about it.

**Mr. Piché:** —that knows what we are doing. You go on a task force, and even if things were—

**Mr. Stokes:** You said that you were elected and we were not.

**Mr. Piché:** Just a minute now.

**Mr. Stokes:** That is what you said.

**Mr. Piché:** No. On the majority—

**Mr. Stokes:** Bring him to order. If you want mayhem in here, Mr. Chairman—

**The Acting Chairman:** Mr. Piché, you are out of order. Mr. Laughren has the floor.

**Mr. Piché:** You are the kind of man who should agree with me, because you know better.

**Mr. Stokes:** I was elected to this place—

**Mr. Piché:** I know, but you are just a member.

**Mr. Stokes:** —long before you were even thought of.

**Mr. Piché:** Just as a member, but not as a government.

**The Acting Chairman:** Gentlemen, Mr. Laughren has the floor.

**Mr. Laughren:** Were you, René?

**Mr. Piché:** Yes, I was part of the government.

**The Acting Chairman:** Mr. Laughren, continue.

**Mr. Piché:** I think we could be factual here. I know what you are trying to do. I am very surprised, Mr. Stokes, because you and I are pretty close politically. You would think that you would help me to stop your colleague from saying some of the things that he should not be saying right now.

**The Acting Chairman:** Mr. Piché, could you restrain yourself?

**Mr. Stokes:** Do you believe in democracy?

**Mr. Piché:** Yes, I do.

**Mr. Stokes:** Could you keep quiet and allow him to finish his speech?

**The Acting Chairman:** Gentlemen, restrain yourselves. Mr. Laughren has the floor.

**Mr. Laughren:** Mr. Chairman, I will tell you something. If I were to be out of line on a matter of forestry with my colleague from Lake Nipigon in my presence he would correct me fast, because he knows more about forestry than I do.

**Mr. Piché:** He would not.

**Mr. Laughren:** He would correct me very quickly. You do not know our past relationship.

**Mr. Piché:** I know him and I respect him, but he would not because he is from the same party. Whatever you bring up and you are in error, he would not—

**The Acting Chairman:** You are out of order, sir.

**Mr. Laughren:** You do not know Jack Stokes.

**Mr. Stokes:** No, you do not even know me.

**Mr. Piché:** I know you, I respect you and I am like you.

**Mr. Laughren:** That is the most slanderous of all.

**The Acting Chairman:** Mr. Piché, you are out of order.

**Mr. Stokes:** Why do you not respect the democratic process and allow my colleague to continue?

**The Acting Chairman:** Mr. Laughren, please continue.

**Mr. Laughren:** I will try.

**Mr. Piché:** I have to take exception to that. In the House every day when I get up, or someone on our side gets up, or even the Liberals get up, who yells and makes a bunch of insults?

**The Acting Chairman:** Mr. Piché, will you please wait your turn? Mr. Laughren has the floor. Go ahead, Mr. Laughren.

**Mr. Laughren:** I am nervous.

**Mr. Piché:** As you should be.

**Mr. Stokes:** If you believe that, you will believe anything.

**Mr. Piché:** Wipe that off the record.

**Mr. Laughren:** I will attempt to continue.

**Mr. Piché:** Okay. Bring this to an end now. From the top. Say nothing.

**The Acting Chairman:** Please continue, sir.

**Mr. Laughren:** Mr. Chairman, I have just begun. I was trying to make the point that the numbers we were using, the language we were using, and the technical terms we were using were terms

that had been acceptable to this ministry for some time. I did not create a new language. I did not make up any new numbers. I used only numbers emanating from the Ministry of Natural Resources.

Do you know what? When my colleague, Jim Foulds, the member for Port Arthur, used the numbers, used the technical language, and so forth, of the ministry vis-à-vis forestry, there was never any problem, but as soon as we created the task force, started travelling across the province, suddenly the language was not appropriate, suddenly the numbers were not appropriate and suddenly we were not using up-to-date information. I want to tell you, this ministry was subverting the democratic process in the games they were playing.

Those are strong words but they are true words. There was never a problem until we started making the numbers public, started going into northern Ontario and talking about the ministry's own numbers. I reinforce that point. They are not our numbers. There is only one place where you can obtain province-wide data on reforestation and that is through the Ministry of Natural Resources. There is no other place.

So, if you find fault with the numbers, find fault with the minister and the ministry, not with me. Those are not my creation. If you think I am using wrong figures, get mad at the minister and not at me. We used only language and numbers emanating from the ministry.

The deputy minister finally wrote back to me after two months, on October 24. After having been promised the information in the format that we requested, the deputy minister writes back and said that for reasons of confidentiality—one of the reasons—he would not provide the information to us in the format we had requested. I find that offensive.

8:20 p.m.

He also stated, and I am sure the minister will correct me if I do not use the right language here, that because of the unreliability of their numbers, they were misleading. Those are not my words. Those are the words of the deputy minister and, through him, the minister.

When I think of the public subsidy which has gone into forestry over the years, especially now, for this ministry to be saying that for reasons of confidentiality they will not release the figures, I am offended. First, they are our forests, it also is our crown land and it is our public subsidy. For those three reasons, you tell me why there is any problem of confidentiality

with the regeneration record of our forests. I hope the minister will respond to that at the appropriate time, because the private sector is not as up tight as the ministry. The private sector is not concerned about the confidentiality.

The minister, I hope, will tell me as well what confidentiality has to do with the marketplace in forests. I want to hear that. I want to hear how the regeneration record of Abitibi-Price Inc., or Domtar Forest Products, or Great Lakes Forest Products Ltd. has to do with their ability to sell their paper. I want to hear that answer. They are not worried about it; we asked them.

As a matter of fact, there was one letter which indicated that they were not—I could quote from it. In discussions with them, they were not up tight about releasing that information.

**Mr. Piché:** I would like you to quote from that letter. Who signed it and what company? You can quote that.

**Mr. Laughren:** All right. You provoke me.

**Hon. Mr. Pope:** Mr. Chairman, may I ask that Mr. Laughren be allowed to continue?

**The Acting Chairman:** I was just going to—

**Mr. Piché:** I think I have to say, in all respect to the minister, that as a member of this committee I am allowed to ask a question.

**Mr. Stokes:** Only when you have the floor.

**Mr. Piché:** I know that maybe the minister does not like that.

**The Acting Chairman:** Mr. Piché, it was agreed—

**Mr. Piché:** But it is very unfortunate. I am allowed to ask any questions that I may want or address as a committee member. I am surprised that the minister would even bring up—

**The Acting Chairman:** Mr. Piché, sir, would you please come to order. It was agreed before you came into the committee that, due to Mr. Reed's absence, Mr. Laughren would continue, without interruption, until he is through. Please.

**Mr. Piché:** Oh, God.

**Mr. Laughren:** I do have the letter from the forester for Abitibi-Price at Iroquois Falls, which indicates—

**The Acting Chairman:** Mr. Laughren, disregard the request.

**Mr. Piché:** What do you mean, disregard the request? I made a—

**Mr. Laughren:** I have that letter.

**The Acting Chairman:** Mr. Piché, you are out of order, sir.

**Mr. Laughren:** The minister knows I have that letter. He is not questioning my—

**Mr. Piché:** The minister knows, I want to know.

**Mr. Laughren:** The point is—

**Mr. Piché:** The letter.

**Mr. Laughren:** —that only the ministry is concerned about the confidentiality question, not the private sector. The private sector understands that they are public forests on public lands with substantial public subsidies. You tell me why you think that is a confidentiality matter. It is not. It is simply a defensive measure on the part of the ministry.

When the deputy minister did reply, he gave me information on some stocking levels that looked as though it had been pulled out of the sky. There was no substantiation of it. There was no original background data with it. You had it for five years for one grouping and for only two years for the other. That was a terrible response and I had looked forward very much to the response.

**Mr. Wiseman:** If I could interrupt for a moment, I wonder if Elie is giving those cigars away because he is a new father or something? I saw another one of his colleagues come in with a big cigar and he gave one to Floyd.

**Mr. Martel:** I got lucky.

**Mr. Wiseman:** I just thought the rest of us might get one too.

**Mr. Laughren:** I will read the quote from the forester of the company even though Mr. Piché is not here. Here is the quote: "It is my impression that these data are matters of public record and as such may be readily available."

What more do you want? The point is that it became increasingly obvious that as we started to raise the issue across the province, particularly in the north but also in the south, the ministry became increasingly defensive. We think it is unseemly for the ministry to become defensive about information that belongs to the public at large, so we are very unhappy with the way we have been treated.

In the letter from the deputy minister, what does "misleading data" mean? I hope he will enlarge on that. I would like to know what policies have been based on this misleading data over the years.

What is the problem with the production policy? Is it that you do not want to come up with a production policy based on misleading data? I do not know that. I would sure like to

know because you have opened a Pandora's box. You have opened it because you are so defensive. I sure want to know about this misleading data and what kind of decisions were based on this misleading data. It is really strange.

My feelings are tough. I did not feel this way starting out with our task force. As a matter of fact, I felt rather apprehensive about starting the task force because I knew I had more to learn than most about our forests. I believe that. But the longer I went on, I realized—and this trend must be stopped—that the ministry believes that the forests are theirs.

That sounds strange, but the forests do not belong to the Ministry of Natural Resources. You think public information belongs to the ministry; you think the media must not criticize the ministry and its policies; you think your employees must not speak out.

I do not need to dwell on that too long except to remind the minister about the last time we met and had debates. When my colleague the member for Lake Nipigon and I referred to the question of Mr. MacAlpine, the minister's response was that we did not know the whole story or we would be not saying these silly things. That is what the minister implied to us. We now know the whole story; we know we were right and the minister was wrong.

Promises have been made and broken almost on a routine basis. I outlined those earlier in my remarks. The manipulation of data to protect MNR is most offensive. I really find that difficult to countenance.

All in all, I see that the ministry has lost sight of the distinction between the politics of forestry and its responsibility to manage the forests. I mean that most seriously. I really believe you have lost sight of that difference. It is a very important difference for a ministry.

You have blurred the lines between a public resource and a resource that is there for your management. I find that very difficult to accept. You do not have that right.

**Mr. Piché:** As a representative of the people, he does not have that right?

**8:30 p.m.**

**Mr. Laughren:** No, he does not have the right to withhold from the people information on their own forests. That is what I am telling you. The public has a right to the information that the minister has.

**Mr. Piché:** I am getting an education here.

**Mr. Martel:** You need it.

**Mr. Piché:** The wrong type.

**Mr. Laughren:** And I will tell you, Mr. Chairman, that that confidentiality argument is drivel.

**Mr. Martel:** Crap.

**Mr. Laughren:** It is absolute drivel.

**Mr. Martel:** Crap.

**Mr. Laughren:** I believe the threat of legal action was bad tempered. It was even worse than bad tempered. I used the two words before: it was either a bluff or it was intimidation.

There used to be an old fable that if the messenger brought bad news, you shot the messenger. That is the game the ministry is into. When somebody says something you do not like, you either malign them by accusing them of manipulating the figures, or you threaten legal action. What kind of nonsense is that?

We use your figures and the minute we start to use them, you accuse us of using out-of-date figures when we have been pleading with you for up-to-date information. I ask you, is that fair?

When the media writes an uncomplimentary article, you threaten legal action. Shoot the messenger. That seems to be the philosophy of the Ministry of Natural Resources, and that is fundamentally wrong.

I have reached the point where I am having second thoughts about releasing our task force report on forestry outside the chamber. I am afraid we will get sued.

**Mr. Piché:** Why bother to release it, I am sure there is nothing in it?

**Mr. Laughren:** You can draw your own conclusions.

**Mr. Martel:** You should know. You have all kinds of places closed down in your town, have you not?

**Mr. Piché:** No. I take exception to that.

**The Acting Chairman:** Mr. Piché and Mr. Martel, please restrain yourselves.

**Mr. Piché:** Mr. Martel, not Mr. Piché. He is the one that is—

**Mr. Martel:** Do you have a place closed down?

**Mr. Piché:** No.

**The Acting Chairman:** Please restrain yourselves. Mr. Laughren has the floor.

**Mr. Martel:** None at all?

**The Acting Chairman:** Mr. Martel, please. Go ahead, Mr. Laughren.

**Mr. Laughren:** What I find so difficult is the

difference between the words of the ministry and the actions.

I received a copy of the deputy minister's speech in Sault Ste. Marie. I am sorry to keep referring to the deputy minister. I have a belief it is the minister who is responsible for the ministry, so I do not mean to be dumping on the deputy minister.

**Mr. Piché:** You have been doing that all night.

**Mr. Laughren:** However, when the deputy minister acts independently of the minister, such as with the threat of legal action, then I think he is accountable. I am not happy with what I see.

The deputy minister said in Sault Ste. Marie, and I quote: "Our ministry is taking steps to become more communicative." I guess that he meant communicating the threat of legal action, René.

**Mr. Piché:** No. He did not say that. In a court of law, you would be called out of order.

**Mr. Laughren:** All right, I am out of order. I will start over again.

"Our ministry is taking steps to become more communicative, to explain the whys of forest management to our various audiences more effectively. So we are developing a communications plan that we expect will contribute to a more informed and enlightened level of discussion among all the participants involved in forest management."

Well, you may not want to believe this, but we are one of the participants in the debate on forest management. That may offend you, but as an opposition party, we bloody well are. And when we are denied information that was promised to us, that is not the way you open up communications. Shooting the messenger is not the way you open up communications. That simply makes no sense at all. What kind of attitude is that to be fostering?

**Mr. Martel:** Two trees for one; you are not doing it.

**Mr. Laughren:** Those are my concerns in a general way. You will notice I have not talked about the numbers or the specifics in particular areas in my opening remarks. I would like to do that under the forestry vote, I think it is more appropriate. But those are the concerns we have with the ministry.

I should mention a few words about the NDP forestry task force. When we set out upon our task force, we did not start out by saying: "This is what we insist upon. This is what we know."

We set out with four basic questions to which we were seeking answers.

The first question was: how serious is the supply problem? What would be the impact on the workers, families and communities dependent on the wood-based industry?

Second: what impact would the forest management agreements have, and how well are they working to date? That whole question should be underlined.

Third: is an exclusive reliance on forest management agreements wise?

Fourth: are there alternative and competing forest management systems which Ontario should look at? For example, more decentralized, community-based forestry authorities along the lines of the Algonquin Forestry Authority.

Those are the four questions with which we started out. There is nothing dogmatic about those questions. Whether you want to believe it or not, I will tell you that we honestly did not have the answers to those questions when we started out. We did not have in place a position on those four questions. We did not know.

As we travelled around the province, we visited quite a number of mills and woodland operations in the northeast, the northwest, and in southern Ontario and eastern Ontario. We talked to very many company officials. We talked to foresters, both in the ministry and in the private sector. We talked to workers.

We found the private sector to be most generous, gracious and co-operative in our attempts to learn more about the forest. I say that without hesitation. They were extremely hospitable to us, without exception. We appreciated that very much.

I should not pass by the ministry. The ministry also showed an interest. The ministry spent some time with our task force at all the public meetings. I do not believe we ever made them feel uncomfortable there.

**Mr. Stokes:** We were flattered.

**Mr. Laughren:** We were flattered that they were there. We did not want to make them feel uncomfortable because they certainly had a right to be there. We think that the civil service has a right to monitor opposition parties' activities. There are some who say that that is not the role of the civil service—

**Mr. Martel:** I am one of them.

**Mr. Stokes:** It is a learning process for them.

**Mr. Laughren:** It is a learning process for them and we were happy to contribute to their increased knowledge.

**Mr. Martel:** The Ministry of Labour did the same thing with my task force. They had them all over.

**Mr. Laughren:** Although I will do it more formally with the release of the task force report which will come out shortly, I should pay tribute to the people who helped enormously at the beginning and during the report: a research person named Terry Moore, who has corresponded with the ministry people from time to time; my assistant, Marianne Holder; Jack Stokes, who knows more about forestry than I will know, no matter on how many task forces on forestry I sit; Bud Wildman, Jim Foulds, Mel Swart, George Samis, and my leader Bob Rae, who spent a considerable amount of time with us and I think learned a great deal.

**Mr. Piché:** Are you trying to tell us that Bob is an expert now?

**Mr. Laughren:** No, I did not say that, and I did not say I was, either.

**Mr. Martel:** However, there is a member of this caucus who knows all about it. He could challenge any one of you.

**Mr. Piché:** Go ahead and challenge. We will take you on.

**Mr. Martel:** The minister will not provide the figures.

**The Acting Chairman:** Order, Mr. Martel, please.

**Mr. Martel:** Mr. Chairman, he keeps interjecting. Why do you not ask him once to be quiet?

**Mr. Piché:** I take great exception to the remarks of the member for Sudbury East or whatever.

**Mr. Martel:** You can take all the exception you want.

**Mr. Piché:** There is a man in the House who when you say one word gets up and interjects, and he has the audacity to tell me that I do the same thing—

**The Acting Chairman:** Order. I will have to ask you to leave the committee if you do not come to order.

**Mr. Piché:** Do not do that.

**Interjection:** No, no, no. It makes it spicy.

**Mr. Piché:** Not in a democracy. John, I think you are a little out in left field right now.

**Mr. Martel:** Is he challenging you, Mr. Chairman?

**Mr. Piché:** I am challenging the chairman.

**Mr. Martel:** You are challenging him.

**Mr. Piché:** I am challenging him—no doubt.

**The Acting Chairman:** Come on.

**Mr. Martel:** For effrontery, you take the cake.

**The Acting Chairman:** Carry on, Floyd.

**Mr. Piché:** Do you think I sit in this committee to listen to the other side and accept that?

**The Acting Chairman:** Mr. Piché, please restrain yourself. Mr. Laughren, continue.

**Mr. Laughren:** Thank you. Just a final word about the task force. It was—and I mean this—a very stimulating experience.

8:40 p.m.

If one travels the province, particularly in the north, one sees that the kind of province we have is awesome, a real spectacle. This is really an incredible province. I will never forget one afternoon when we drove from Nipigon township to Beardmore township. The scenery was absolutely incredible. It is a beautiful part of Ontario.

One thing that struck me were the foresters. I was very, very impressed, without exception, with the foresters whom we met and talked to. They have a very legitimate concern about the health of the forest. It is not a partisan issue with them. It really is their profession. I was very impressed with them, whether they were in the private sector or working for the ministry.

This leads me into the whole question about foresters. The belief in Ontario has been that putting the forestry management agreements into place would herald a time of more intensive forest management in the province and that this would, almost by definition, mean that we would need more foresters.

If my figures are correct, and I think they are because they come from Lakehead University, out of 72 graduates last year, I believe six at this time are working in forestry, plying the trade for which they have been trained, and I think well-trained. This is a concern with us.

I was reading a report by Professor Lortie, who has his PhD in forestry, and which was presented in 1982 to the Canadian Forestry Advisory Council. Part of his opening remarks really struck a responsive chord in me. There are only two paragraphs I would like to read to the committee members. The paper is entitled,

Requirements for Professional Foresters, and I quote:

"In so far as it is taken for granted that the practice of forestry depends on professional foresters, the number of them that will be required depends on the size of the forest areas to be treated and the desired intensity of the forest management. In the presence of virgin, overmature and abundant forests, the demand for wood matter and other forest resources may be satisfied simply by harvesting. The requirements for a professional forester are very limited.

"Their job then consists primarily in developing and utilizing the most effective and least costly means of carrying out this harvesting. But if the resource demand increases to a level equal to or higher than the forest supply, the need to cultivate the forest generates an increased need for professional foresters whose work will consist mainly in making the forest able to respond to the demand. The number of professional foresters then required increases in proportion to the intensity of forest management and to the larger and larger surface areas being exploited."

That was Professor Lortie and it really did strike a responsive chord in me.

It seems to me that if we are serious about more intensive forest management in Ontario, we cannot go on the way we have in the past. For example, Professor Lortie goes on to make the point—and this is a Canada-wide report, so it is not just dealing with Ontario, but I doubt if it is any different in Ontario—that out of the 4,400 professional foresters, only 500 are engaged in onsite forest development work, 500 out of 4,400. In one form or another, the rest are pushing paper because that is what their employer is asking them to do.

Also, Professor Lortie picked four countries in order to look at the number of foresters who are involved. He picked Sweden, Norway, the United States and Canada. The total forest area varied substantially, but the United States and Canada are the two countries that are the closest.

In the United States, the forest area under management is 218 million hectares; in Canada, 226 million. The number of professional foresters in the United States is 16,700; in Canada 4,500. For virtually the same amount of area, the United States has four times as many foresters.

Another way of looking at that number is that in some countries there is one forester for every 15,000 hectares; in Canada, there is one for every 50,000 hectares.

**Mr. Haggerty:** From the results in the States they run to second and third cuttings.

**Mr. Laughren:** The point is that if we are going to have that second forest, we have to more intensely manage and cultivate it. I do not believe that we can do it well with the number of foresters who are presently on the ground in Ontario. I do not have provincial figures for that. I would be very interested in having them. As a forester, I am sure the deputy minister would have those figures readily at hand. Not only that, he might even be willing to share them.

I do not want to deal with it now, but during the forestry vote I want to talk on the question of forests on private lands. It bothers me that the ministry is about to change, I suspect, some policies on private lands. I would like to know what those are before they are sprung on us.

I will leave forestry now, and we can engage in a debate in more detail when the minister responds, as he chooses, under the forestry vote. That is the more appropriate time to talk about the Obonga Lake Road issue. For example, the deputy minister can talk about the source of the numbers that he is using, and we will provide as much detail as you want on the numbers we have been using on regeneration.

I would like to turn, for a few moments, to the question of mining. Representing the area I do, I always try to restrain myself when I talk about the mismanagement of our nonrenewable resources, but sometimes it is difficult. I do not think there is anything more symbolic of the way we have allowed Ontario to develop than what has happened with our minerals. With forestry it is just as bad because it should be a renewable resource. With mining though, we knew from the beginning it was not renewable.

I guess mining is the best example I can recall of how the private sector or free enterprise can exploit resources with government blessing. Dumping on the private sector in mining has never made too much sense to me because whatever they do, they do with the ministry's blessing. A mining company will be as civilized as the jurisdiction in which it operates.

Falconbridge behaves differently in Ontario to what it does in Namibia. That is no coincidence. They will behave as they are told to behave, as the laws of the land require them to behave. They have done nothing more in Ontario than take what this ministry has given to them. We truly are an underdeveloped developed jurisdiction. The government has muddled through on mining with virtually no policy. It is

almost like wetlands; not having a policy becomes a policy in itself. That is the way it has been with mining.

8:50 p.m.

The only question I have in my mind is whether it is best to describe it as benign neglect or gross negligence. I do not know of an economic system that could manage our nonrenewable resources worse than this jurisdiction has, in terms of safety and health in the mining industry. If you want to talk about Elliot Lake we can.

I am talking about the return on a nonrenewable resource to the people of Ontario, the ultimate owners, and the building of linkages both forwards and backwards around those resources, the forward linkages of processing and manufacturing from that resource and the backward linkages of building the machinery that is used to exploit those resources. To this day, despite the smoke and mirrors of this government, we do not have a major mining machinery complex in the Sudbury area.

When I think that not too long ago this province controlled 90 per cent of the western world's supply of nickel, it makes me ill when I see how it has been squandered in terms of development. It really is pathetic. The minister and the ministry can say: "Well, we are having hard times. We cannot do this, we cannot do that." There have not always been hard times, and the ministry did not do what it should have done then.

Some day, some Minister of Natural Resources is going to put together perhaps a cogent argument that explains how it is that Falconbridge, after 50 years in Sudbury, can still ship all its ores to Norway for refining with the blessing of this government. It is such a blatant gap in policy.

When I looked at the machinery, I was figuring out some material on capital intensity in the various industries in Ontario. With the base index of 100, the leader was transportation, being highly capital intensive for obvious reasons; public administration was second, because of the modern equipment, I assume; and third was mining, with an index of 281.3.

There is a footnote. This comes from a report of what used to be the Ontario Ministry of Industry and Tourism. The footnote says, "In mining, capital intensity is increasing despite declining production and productivity." So we have a situation where it is a highly capital intensive industry, which means machinery, and we are not producing the machinery.

We raised a lot of fuss about it in this party, I am very proud to say, particularly my colleague the member for Sudbury East and I. The government responded by creating a resources machinery development centre in Sudbury. The moon will turn to blue cheese before that centre produces one piece of mining machinery. It is not even designed to produce mining machinery. It does not even have engineers to design mining machinery. That is the government's answer to the lack of diversification in the Sudbury basin.

That is why a year ago my colleague and I presented a document called *A Challenge to Sudbury*. This document laid out what we thought were some alternatives for the future development of the Sudbury basin. It is a serious document, and we did a lot of work on it.

The government refused either to endorse it or refute it for a couple of reasons. They could not refute it because virtually all of the recommendations came from their own documents, their own various government reports over the years. They could not endorse it, despite the fact that most of it came from their own reports, because an opposition party was recommending the alternatives.

You wonder why I charge you with blurring the lines between your responsibility as a ministry and your role as a partisan political party in Ontario. I feel very strongly about that, because you have passed the point where you can accept recommendations, even when they come from your own reports, because they happen to be reinforced by members of the opposition. It is that same bunker mentality which prevents you from dealing with us honestly on regeneration figures in forestry. It is the same kind of mentality which I think is very destructive of the democratic process.

In *A Challenge to Sudbury*, we were very careful to select the kind of proposals that government reports had endorsed and suggested. We were very careful to make sure that we recommended actions which would reduce our dependency on the resource industry—nickel, copper and so forth. We wanted to create a new direction which would do two things: One, it would maximize what we got out of that nonrenewable resource, because it is still the mother lode of ore bodies in this province. At the same time it would create new opportunities so that we would not be so dependent upon that nonrenewable resource. So we were very careful in the way we structured our report.

We thought, and still do, that there is an

enormous opportunity in Ontario to replace a lot of the imports. It is a very positive way of looking at our potential. Mr. Miller, or Mr. Grossman for him, can spend the rest of their lives tripping around the globe promoting exports, and that needs to be done; they need to be promoted. But the real opportunity is to replace imports of manufactured goods. I have no doubt about that whatsoever.

In a funny kind of way, when we start to meet the domestic requirements of manufactured goods, we will develop the expertise that will allow us to get into export markets. But you do not start with export markets. You start with your domestic market and get into export markets. That is the way you do it. That was one of the main components of our challenge to Sudbury.

Since then, we have had a lot of make-work projects in Sudbury, but we have not had a decent response to that document, A Challenge to Sudbury. The regional municipality struck a number of task forces which have not responded to our suggestions either. We are not happy about that. We do not believe there is an easy answer, but at the same time we think it is worth struggling for.

This government has done nothing imaginative at all, unless you call the Ontario Centre for Resource Machinery Technology something imaginative and progressive and forward looking. I remain to be convinced.

The minister in his opening remarks talked about Detour Lake and Hemlo, but I would remind the minister that Sudbury was once a Hemlo. Sudbury was once a Detour Lake.

The history of Sudbury over the years has not been one of one big, perpetual boom town. We have been on an economic rollercoaster in that community for as long as I can remember. Creating a boom town like Hemlo or Detour Lake does not mean you do not have problems in that community if you do not diversify. Sudbury is not a remote community. It has a tremendous infrastructure now, and there is no reason why we could not be diversifying there.

When the minister responds, I would very much like to have his views and to know where we are at on the whole question of seabed mining. Some concerns still exist there and about Ontario's role in the negotiations, particularly with the United States.

9 p.m.

I would like to leave mining and move on to an issue that is very dear and near to the

minister's heart. I almost said hearts; God, he has not got two of them.

He has done more on the parks issue than he has on most issues. I want to tell you that the June statement, I believe it was on June 7, was a welcome statement, but there are some real concerns settling in now since that statement, because we are concerned about when; you promised 149 new parks, plus six wilderness areas, by the year 2000.

**Mr. Haggerty:** The government even promised one down in the Fort Erie area. We did not get it.

**Mr. Laughren:** You have to learn to live with broken promises, Ray.

The year 2000 is a long way away. We want to know when we can expect some regulations on these parks, such as boundaries. Why do we not have a schedule? We need a schedule for new parks and for boundaries, because surely the minister understands that the more sensitive areas need to be protected first. I am not suggesting we can instantaneously create boundaries and regulations, but surely there needs to be a process whereby the more sensitive areas, the ones that are more apt to come under pressure—

**Mr. Haggerty:** Some of the places have fences out there. It is like the Berlin wall, you cannot even get out to the lake.

**Mr. Laughren:** Costs are not attached to many of these; for example, the nature reserves and so on. We need something more.

**Mr. Haggerty:** They have been along the lakeshore for years down there.

**The Acting Chairman:** If you want your name on the list, I will put you on the list.

**Mr. Haggerty:** Well, put me on the list.

**Mr. Laughren:** What I am asking for is some kind of timetable or schedule for the new parks with a plea that the more sensitive areas, the ones that are more apt to come under pressure, receive attention first. I think that is a reasonable request that the minister should be able to comply with without too much delay.

I would like to know what the status is of the famous blue book on parks. What is happening there? Is that your ministry policy, that blue book? I sure would like to have a definitive statement on it.

I would like to know about your present classification system of parks. Is that going to stay the way the present classification is outlined? If it is not going to stay, why not? I hear

rumblings that there might be a change in the classification system and I would sure like to know why you feel that is necessary, if indeed there are going to be changes.

I really think it would be easier on the ministry to set boundaries now wherever possible, because you are going to be under a lot of pressure over the years. It will be nagging you as time goes on. In the long run you would be better off to set boundaries.

The other thing I have never understood is why, when you classify a park—I am talking about an individual park, but I guess you could apply it to more than one—there is no statement of reason or the purpose for that classification for that park, so that people understand what it is they are protecting and why they are protecting it.

You could talk about doing that for an individual park if you like, but I think the statement of purpose should be applied more generally for each classification. Thus, when the park is classified, people pick up the classification and, with it, the stated purpose for having it classified that way, so they can say, "Oh, yes, that means the following for that park."

I think also that while it may be difficult at the beginning, in the long run it would allow the ministry to be consistent in the way it protects its parks. In the long run that would be easier on the ministry as well.

I would like to know about the whole question of hunting, fishing, tourism and mining in the parks and to what extent the minister followed or even listened to the wishes of the parks council and what problems he had with their recommendations.

I would also like to know about mineral exploration in parks. The minister made his statement in June, and I want to know what has occurred since then within these park areas by region and by district. I will tell you why. I think it should be a requirement that on a yearly basis there should be information tabled on activity within parks—mining, forestry, roads that are built, claims that are staked—so we can see what is happening.

Are we even sure that we need to allow mining exploration in those parks? I do not know.

It would be interesting to know what has occurred since June. I do not know whether you have that information available, but if you do, I would be interested in knowing just what has gone on there. As a matter of fact, I would be happier if you had a rule that there was to be no

mining in the parks until all those rules are set, until we know what is going on, because I do not know at this time.

I was reading some statistics on hunting in parks, and it seems to me there is a growing backlash against hunting in parks from a fairly substantial proportion of the population. One reason is that there seems to be some strange decisions made. I do not know the Pelee Island Provincial Park, but I understand that you are allowing hunting there and that there is a bird sanctuary in that park. I did not understand why you would do those two things. They seem to contradict one another. Why would you want to do that?

Maybe there are statistics—I have not seen them, and I would like to know whether the ministry has them—on whether hunters, as a proportion of the population, are increasing or decreasing. The reason I ask is that I would like to look at the whole picture of the nonconsumptive use of parks and our wildlife resources—the viewing of wildlife, canoeing and that kind of thing—to see which way the lines are going on a graph as to whether, as a proportion of the population, there are fewer or more people hunting. I would like to know the same about the nonconsumptive use of those resources.

I would like to know whether the minister has thought very much about tourist operations in parks, because there does not seem to be any restriction on expansion of tourist operators. You allow the ones who are there to remain, and if there is a restriction on expansion, I am not aware of it.

Why would you not say, "If you are going to expand, you do so on the periphery of the park, not inside the park"? I would like to know whether the ministry has come to a position on that.

The other thing I am confused about, I must confess, is the areas of natural and scientific interest, NSI areas. I do not understand what is going on there. I do not know what the rules are. I do not know how you intend to protect them and to manage them. I would appreciate some information on that.

Parks master planning—I thought you were on to a good thing there with parks master planning, but obviously it has been put on the back burner. I think that now is the time to put it back on the front burner and to publish a master planning document for public debate.

Since your statement in June, I do not think anybody has done anything; correct me if I am wrong, I am sure you will. I am concerned that

an important process is being ignored. As a matter of fact, you are letting it die, and that is fundamentally wrong. There needs to be that follow-up on the good work of Mr. Monzon.

**9:10 p.m.**

There is one potential park that bothers me, and that is in the Bruce Peninsula where, if I am correct, the federal government wishes to establish a federal park. They would buy the land—it is almost all crown land—and they would establish a federal park there, and the Ministry of Natural Resources is being difficult. That is my understanding, that you are being difficult and not co-operating appropriately with the federal government.

I would be interested in knowing why that is. Is there some kind of hidden agenda here that we, the public, do not know about? Why is it that there is this problem? I understood that the feds were gung-ho to proceed with that federal park and that the minister is being difficult. Those were the words used to me. The minister is being difficult. I found that easy to believe. I would be interested in knowing just what is happening with that Bruce Peninsula Park.

I would like to move on to another issue, probably the final issue, and that is wetlands. Just because the minister ignores it in his leadoff does not mean that I should. It is all the more reason I should not.

I have one underlying question. Where, oh where, is the policy that was promised us? The minister has lots of public support. The Christian Farmers support the need for a wetlands policy. The Ontario Federation of Agriculture, I believe, presented a brief—to cabinet yet—supporting a wetlands policy, and we still have no policy despite a tremendous public mandate—enormous.

I must confess to a weakness. I thought for a long time that the minister was being mugged by other ministers, such as the Minister of Agriculture and Food (Mr. Timbrell) and the Minister of Municipal Affairs and Housing (Mr. Bennett), but I have lost patience with that reasoning, because the minister has a clear and strong mandate from the public.

A year and a half ago when we had the estimates debates, the minister said: "I cannot give you a policy. I am reading all the briefs." Well, I do not think it takes that long to read the briefs, so I would like to know whether or not the problem is one that is bureaucratic in nature. If there is an opposition, who is this phantom opposition? Is it the Minister of Municipal Affairs and Housing? If this minister, on an

issue such as wetlands, cannot come up with a policy because of the opposition of the Minister of Housing, then this minister should reassess his position in cabinet. I will tell you, that is your responsibility. You are looking increasingly weak, if not silly, on this issue. You can pass the buck to other ministries for a while, but you cannot do it for this long and get away with it. That is your responsibility.

I remind you that the statistics I have seen show that we are losing two per cent of our wetlands inventory a year. My arithmetic would indicate that since the minister began dawdling with this we have lost between 30,000 and 50,000 acres of wetlands. You really have dawdled on this issue. You have moved firmly on some, but on this one, which is a very strange one for you to dawdle on, time does not seem to be important to you. Is there a hidden agenda? What is the lobby? Who is lobbying you? Why are you not proceeding? You do not hesitate to muscle your way in with the fishing agreement despite the opposition of some members of your caucus, but on something like wetlands for you to be mugged is really bizarre. It has been a long time. I do not know whether it is because the wetlands lobby is so powerful or whether the minister just has not been able to dredge up the interest in wetlands or what it is.

Interjection.

**Mr. Laughren:** There is something about wetlands that causes either a mental block on the part of the minister or there is a political—

**Mr. Martel:** It is all money.

**Mr. Laughren:** There is something politically I do not understand about wetlands. There really is. At one time I know it was difficult—when the then Minister of Agriculture and Food moved to be the Provincial Secretary for Resources Development—that did make it difficult, given the personalities involved.

Now, however, you have a Minister of Agriculture and Food (Mr. Timbrell) and a Provincial Secretary for Resources Development (Mr. Sterling), both of whom are ambitious, and it seems to me that you should be able to talk to these two people about getting this policy through.

I raised it during the Provincial Secretary for Resources Development estimates, so please, I would appeal to you that when you respond you do not throw the ball back to Mr. Sterling. He will fumble it. Please, deal with it as your responsibility. He told us that it has gone to the cabinet committee on resources development

and they are going to deal with it. I said to him: "When can we expect a policy?" He was very reluctant to give a date, so I said to him: "I will make it easy for you. Would it be unrealistic to anticipate a wetlands policy in early 1984?" He thought that was not unrealistic.

I would like to know whether the minister feels the same way—that in the next session of the Legislature, which will only make it a couple of years since you promised a policy, we can have that policy. It really is one of the strangest issues on which this minister has spent his time unproductively.

I do not want to get into too much detail on wetlands at this point, but the Alfred Bog is a good example of an area where I do not understand the thinking of the ministry. There you have, east of Ottawa—about 30 miles east of Ottawa, I guess—9,000 acres of wetland, a very valuable wetland, a very rare resource. Enter Hardee Farms who, I gather, own almost half of the bog—over one third of the bog.

There was an Ontario Municipal Board hearing—and I have no alternative but to put it this way—in which the ministry lacked either the interest or the courage to intervene. You knew what was happening. You could see what was happening with that bog and you did not intervene at all. You did not object at the hearing to having it rezoned.

Your own people—and I say this with great trepidation—but I believe your own officials in the Kemptville and Cornwall area supported the preservation of the bog. I do not want you to think for a moment that they told me that, minister.

9:20 p.m.

**Mr. Martel:** You will start a witch hunt.

**Mr. Laughren:** Yes, but I believe they did. For you not to have intervened must have pulled the rug on them. They must have felt pretty funny when your decision was not to intervene.

It is not an ordinary wetland. We know that a lot has been written on it. There are rare plants there, shrubs, bushes and wildlife. I was amazed and absolutely astounded to learn that this bog has the densest population of moose in North America, if that is correct. That is what I understand and that really surprised me.

I find it amazing that the minister would allow half that bog to be rezoned from conservation to agriculture—for Hardee Farms, I might add.

The other one that bothered me was the Glen Elbe wetlands, where a drain will destroy it. Environment Canada says it is significant.

Charleston Lake is going to be affected and yet it is going to be allowed to happen.

Keswick Marsh—not far from here, up at Lake Simcoe—is probably the strangest case of all. I believe they are going to extend Highway 89 through it—and guess who owns the land? I believe the Ministry of Natural Resources owns that land, and I understood that MNR had proposed that for a nature preserve.

Having proposed it as a nature preserve, then you go ahead and tell the Ministry of Transportation and Communications to build a road through it. The next thing you will be telling me is that there is a forest management agreement money grant there to build the road. I find that very—

Interjection.

**Mr. Laughren:** You just thought about that, eh? I should not have mentioned it. You will do it.

But I am wondering why you are doing that.

**Mr. Martel:** It was a Board of Industrial Leadership and Development program.

**Mr. Laughren:** A BILD program road, yes. It was John Lane.

Interjection.

**Mr. Laughren:** There is John Lane, talking about BILD grants for roads.

Interjection.

**Mr. Laughren:** I am sorry, Mr. Chairman.

Anyway I just raise those as examples of why we so desperately need a wetlands policy. As I said earlier, to have no policy is, in a funny kind of way, to have a policy—because things just keep on happening and we keep losing significant wetlands.

I do not think the minister will use the inventory argument. I do not think he will. I think—he can cross it off his list—he knows better than to do that because we know what the significant wetlands are in the province and that is where you start, surely.

I very much hope that the minister will take the wetlands issue seriously. I said earlier that I came late to that issue. I did not appreciate the significance of wetlands myself until I started reading about them. I think we owe a debt to the Federation of Ontario Naturalists for, through their publications, raising the awareness of people about the significance of wetlands in the province. I believe people who do read about them come away very much impressed and caring about the need to preserve wetlands.

I know it is a difficult area, because people

who own the land say: "You subsidize people to drain land. Why will you not subsidize people to preserve the land in its wetland state?" That causes some problems about paying people to retain the status quo.

Nevertheless, we know these kind of policies are not easy to develop, but the ministry really has an obligation to get on quickly with the wetlands policy. I would hate to be here next year—I can even end the sentence there. I would hate to be here next year making the same point about wetlands. I expect to be here making the same point about the regeneration of our forests.

**Mr. Piché:** The Liberal members are being punished by having to listen to all that.

**Mr. Laughren:** I expect to be here making the same argument more or less about the need to diversify the economy of the north. I expect to be here talking about parks, but I sure do not want to be here talking about wetlands. I think it is way, way overdue. The minister has an obligation to get on with it and identify these phantoms so we can help defeat them—at least to me they are phantoms, maybe to the minister they are real muggers.

We can help the minister—if that is not terrifying, nothing is, I suppose. We can help the minister get a wetlands policy so that, once and for all, we can protect the significant wetlands in Ontario because what is going on with these very valuable lands should be not allowed to continue.

**Mr. Piché:** Ask the minister if he will accept that offer of help.

**Mr. Martel:** If you want to help with transportation, René—

**Mr. Piché:** I need your help.

**The Acting Chairman:** You are both out of order, gentlemen. Mr. Laughren, please proceed.

**Mr. Laughren:** I shall conclude. I leave it up to the minister as to what details he wishes to respond to and to what extent he wishes to deal with the specific questions in the various votes. I think that the minister should deal with the beginning part of my remarks, though, so that we can better understand the forestry in Ontario.

Thank you, Mr. Chairman.

**The Acting Chairman:** As people on the committee will understand, Mr. Reed was not here tonight when this meeting convened so Mr. Laughren, the official critic for the third party, had his opportunity. Since Mr. Reed is not here

at this point, I assume that the minister is going to reply to Mr. Laughren.

**Hon. Mr. Pope:** Thank you, Mr. Chairman. I would like to reply in general terms to the member for Nickel Belt on a number of points, with respect to his opening comments.

He is right; we will have an opportunity to get into more detail by exchanging information later on. I did not want to interrupt the member when he was making his statement on his perspective of the ministry, and I appreciate it.

**Mr. Laughren:** I barely interrupted you.

**Hon. Mr. Pope:** I appreciated his compliments at the very beginning. I realize that, through an inadvertent error, I omitted to refer to Mr. Fahlgren and his commission which just points out the fact that my opening statement should have been longer.

**Mr. Laughren:** It might have been more relevant.

**Hon. Mr. Pope:** Next year I will do better. We eagerly anticipate the completion of that report. I guess the report is one example of how the honourable member feels that I have a bunker mentality, that I do not communicate with him, his colleagues or with the public.

I would have to say that I disagree, of course. I would point to the fact that, even though I had no obligation to do so in law, I appeared before the Royal Commission on the Northern Environment and was cross-examined for over 10 hours by the solicitors with respect to ministry policy.

**Mr. Laughren:** You got a bit upset too, did you not?

**Hon. Mr. Pope:** No. I did not. If you read the transcript you will see that I did not. When I was asked the same question for the 10th time I thought the time had come to end that line of questioning, and I do not think that is unusual.

I appeared as a minister of the crown in front of that commission to answer for the ministry's policies, to be cross-examined by lawyers representing special-interest groups. I do not think that is a sign that I am uncommunicative or that I have a bunker mentality.

We instituted in the last two years a public review process of our strategic land use planning program that had been going on for nine years internally without, in my view, an appropriate public review. You may think it was inadequate and I accept your suggestions and point of view on that, but we initiated 184 open houses across the province and seven public

forums in which people could get information and make comments.

We had 10,000 written comments and 10,000 people came to the public forums. They say 3,000 officially attended the public forums; I maintain there were more than that. Ten thousand people wrote to us with their individual concerns and comments, another 10,000 people came to the open houses and 3,000 to 5,000 came to the public forums that we held in the province.

**9:30 p.m.**

I did not lecture the people at the public forums. I listened to their points of view and I took notes. I think the end result showed that we—to some degree in many instances—listened to the people's suggestions and amended our documents accordingly.

You can always argue that we did not do enough or we did too much or we did too much changing or not enough changing, but I think we tried to listen to what people were telling us about the planning program that we had in mind.

**Mr. Stokes:** Ken Greaves said you did not listen.

**Hon. Mr. Pope:** Oh, I know. Just about everyone on both sides of the spectrum thinks I did not listen.

**Mr. Laughren:** Do you think he is at one end of the spectrum?

**Hon. Mr. Pope:** It could be. He claims he is.

FMA's again: The forest management agreements were instituted in 1979, I believe. In the last two years—and again it may not be a perfect system—we had open houses on the FMA agreements. Subsequent to that we had open houses on the 20-year and five-year plans with a condition that the annual plans as well be available for public review at our Ministry of Natural Resources offices.

It is true that perhaps we can improve upon that process. I have had a lot of comments from your party, from other people in the Legislature and from interest groups on how we can improve upon it. But we started the process of listening to what people had to say and taking their objections. I am aware of a number of instances in my own riding with the Iroquois Falls forest.

You get varying degrees of co-operation and sensitivity to people's problems. In my own riding, I am aware of road routes and degrees of access being altered to take into account the concerns of tourist operators. I am aware of better lines of communication between the

prospectors and developers with respect to their claim lines and the cutting practices of the forest products companies. That process started, I believe, through the open houses that we held.

We are willing to look at changes that should be made to that process without having it so formal and so expensive that it would intimidate anyone from making public comment. That has been my problem with the formal hearing process all along. Someone would have to be cross-examined by a lawyer or whatever just because they had a point of view they wanted to put forward that opposed either an economic or an environmental interest.

Somehow we have to develop a system where individuals in communities across the province can have a say or an impact on the final planning of some of this resource allocation and resource utilization. You may be a cynic—

**Mr. Laughren:** How did you get from my comments to what you are talking about now?

**Hon. Mr. Pope:** Because you said I had a Bunker mentality and I did not listen to anybody; I did not have any processes in place to provide information to the public; I was not prepared to amend the ultimate results by taking into consideration the viewpoints that were put forward by the public or the opposition party. I am just trying to give you my interpretation of the framework that I have been trying to operate under as Minister of Natural Resources.

The community fisheries involvement program opened up our fish stocking programs and stream rehabilitation programs to public comment by concerned residents of Ontario, the sports clubs and the tourist organizations. It also enabled them to select their priorities for work. We provided capital and technical support to those people to help them do the projects that they thought were important in their own neighbourhoods, in their own areas.

The wetlands policy—you are right—is, as Mr. Sterling said in front of cabinet committee on resources development, a normal process. But we also had a public consultation process that you yourself referred to in terms of the number of people who supported the wetlands program.

Here is the executive summary of the comments. I think you have already seen it.

**Mr. Laughren:** A year and a half ago.

**Hon. Mr. Pope:** Mr. Reed had not and he was the one who asked for it.

Those public comments were taken into consideration and you will see that they are in

the final product. We had a process where the public had a right to comment on the policy we were proposing. They had an opportunity to speak in a format that we felt would be most conducive to them, where they would feel most comfortable. We have tried to listen to what they have had to say and to amend our processes and plans accordingly.

The same thing with respect to flood plains. In the flood plain programs, as you yourself indicated last week, there was a lot of concern and consternation about a policy that had been in place since 1971 in Ontario, and because of the public comments and the outcry about the problems that we were creating for individuals, I sent Grant Ferguson down last spring. He held a three-day hearing as a lands commissioner with the people in the Niagara region who had some very legitimate concerns about the way the policy was being implemented and the criteria for the policy.

I did not feel that was adequate enough after meeting further with the objectors. We then had a review committee that held meetings, as I indicated in my opening statement, in 15 different centres in Ontario.

**Mr. Laughren:** I complimented you on that.

**Hon. Mr. Pope:** I know you did, and I appreciated that.

What I am trying to say is, I do not think it is fair to say that I have a blanket Bunker mentality where I do not listen to what people have to say, or I am not open to their suggestions, or they do not have a chance to comment on ministry policies. In fact, if you will note, every initiative that I have been involved in since I have been minister has involved a form of public comment that did not exist before.

I do not think it is fair to say that I, as minister, am not, or the ministry is not, committed to trying to improve that, or is not committed to trying to get information from people and make amendments to the policy when we think they are warranted.

We happen to have a disagreement on certain forestry issues. You feel we have a very funny attitude with respect to information. You made that very clear in your opening comments.

What I am trying to say is we do not have an attitude in the ministry, or a bunker mentality in the ministry, that says to people: "You cannot involve yourselves in our processes. You cannot involve yourselves in our decision-making. We do not want to hear from you." That simply is not the case. It has been our priority in the last

two and half years to have processes in place that would allow people to have a say.

**Mr. Laughren:** Except in forestry.

**Hon. Mr. Pope:** I think any fair comment would have indicated those kinds of consultation process that we have put in place, including forest management agreements. What other ministry in what other province allows people to look at 20-year and five-year plans and annual cutting plans? What other province?

**Mr. Martel:** We negotiated that.

**Hon. Mr. Pope:** You negotiated bull.

**Mr. Martel:** You could not get the amendment withdrawn. Get off the pot.

**Hon. Mr. Pope:** Do not give me that bloody nonsense. We set in place the process in the Ministry of Natural Resources.

**The Acting Chairman:** Gentlemen.

**Mr. Martel:** You had better talk to Jim Auld about that.

**Hon. Mr. Pope:** You do not know anything about it. I set up the public consultation processes and the open houses, and if you do not understand that you should go back and read your history, because you do not know what you are talking about.

**Mr. Martel:** I recall being there while the things were being drafted, my friend.

**Hon. Mr. Pope:** You do not know what you are talking about.

**Mr. Martel:** You do not know what you are talking about.

**Hon. Mr. Pope:** We set up the open houses. I am the one who asked for open houses, with advertising in the paper, on the 20-year and five-year plans and if you deny that you do not know what you are talking about.

I said that forest management agreements were developed in 1979, before I was there. I never claimed that I developed the agreements.

**Mr. Martel:** That is what I am talking about. You are telling me I do not know anything about it. I know who negotiated with us.

**Hon. Mr. Pope:** Okay, but do not tell me that we did not consult with the public.

**Mr. Martel:** I know how many nights we spent in my office with Jim Auld.

**Hon. Mr. Pope:** Okay, you may have spent nights with Jim Auld; good for you. But we set in place in 1981—

**Mr. Martel:** That is why they became public documents.

**Hon. Mr. Pope:** Absolute rubbish.

**Mr. Martel:** Nonsense.

**The Acting Chairman:** Gentlemen, the minister has the floor.

**Hon. Mr. Pope:** You are the guy who is full of nonsense. There were 20-year plans and five-year plans that I decided would be made public and that people would have the right to go to open houses to look at, and make comments on them, and the forest products companies would have to listen to those comments and try and solve problems. If you do not want that, that is your problem, Mr. Martel.

**Mr. Martel:** No. I knew what the problem was when we went through the amendment.

**Mr. Laughren:** The point is you are found wanting when you get right down to the crunch in talking about successful forestry.

**Hon. Mr. Pope:** I am getting to forestry.

**Mr. Laughren:** All right. You can say all those nice things, but when it comes to the crunch—

**Hon. Mr. Pope:** You are not denying any of this though, are you? You are not denying that we have had a public consultation process in place since I have been minister?

**Mr. Laughren:** Right.

**Hon. Mr. Pope:** Good. So I do not have a bunker mentality.

**Mr. Laughren:** No, you do have a bunker mentality.

**Hon. Mr. Pope:** We have done all of this but I have a bunker mentality.

**The Acting Chairman:** Mr. Laughren, you had your opportunity.

**Hon. Mr. Pope:** Typical silly NDP talk, that is all that is.

**Mr. Laughren:** Well, let us get on with forestry and tell us how you do not have a bunker mentality.

**Hon. Mr. Pope:** I am about to. I just want you to admit that we have put into place consultation processes for the people of Ontario in the Ministry of Natural Resources in the last two and half years.

**Mr. Laughren:** That does not mean you do not have a bunker mentality.

**Hon. Mr. Pope:** That is fine. Pretty weak. Now we will get to forestry.

Your communique issued on September 22, 1983, said the following—page 2, if you would like to turn to it: "Far from keeping this promise, the Davis government has allowed hundreds of thousands of acres of forest land to become silvicultural deserts each year." That means that no trees are growing on it, right?

9:40 p.m.

**Mr. Laughren:** They are growing inadequately.

**Hon. Mr. Pope:** No, it is a desert. There is nothing there.

**Mr. Laughren:** A silvicultural desert. It is not in a world by itself.

**Hon. Mr. Pope:** There are no trees growing. That is what "desert" means, does it not? I see, you let the people of northern Ontario think that is what you meant.

**Mr. Laughren:** No, the people around northern Ontario know what silvicultural desert means as an expression. They certainly do.

**Hon. Mr. Pope:** Yes.

**Mr. Laughren:** They certainly do.

**Hon. Mr. Pope:** Sure. It is a desert. What is in a desert?

**Mr. Laughren:** Silvicultural desert?

**Hon. Mr. Pope:** What is in a desert?

**Mr. Laughren:** Do you mean what is in a silvicultural desert or what is in a desert?

**Hon. Mr. Pope:** Tell me what is in a desert. What grows in a desert?

**Mr. Laughren:** That is like saying there is no difference between a politician and a crooked politician.

**Hon. Mr. Pope:** Even with a silvicultural desert, you are saying that no trees grow on that land.

**Mr. Laughren:** No.

**Hon. Mr. Pope:** That is what you told the people of northern Ontario. It was inaccurate and hypocritical and you know it.

**Mr. Martel:** You cannot use that word. You have to withdraw it.

**Hon. Mr. Pope:** I do not intend to withdraw it. It was hypocritical in the sentence.

**Mr. Martel:** On a point of order, Mr. Chairman, you have heard the Speaker in the House. Every time someone uses the word "hypocritical" they are forced to withdraw. You have been there, Mr. Chairman.

**The Acting Chairman:** Minister, is there some other word you can use?

**Hon. Mr. Pope:** All right, "asinine" will do.

**Mr. Martel:** You withdraw your word?

**Mr. Laughren:** Would the minister allow a question?

**Hon. Mr. Pope:** No, I am responding.

**The Acting Chairman:** He is just responding to your question.

**Mr. Laughren:** Fine, I am not aggressive.

**Hon. Mr. Pope:** I want to finish my points.

**The Acting Chairman:** We will get the dialogue on the votes.

**Hon. Mr. Pope:** I was very tempted to interject, and I refused to.

**Mr. Laughren:** Really? Why?

**Hon. Mr. Pope:** I thought you had the right to develop your point of view with respect to my mentality, which you are entitled to do. That is what the estimates have been about for the last three years anyway.

**Mr. Laughren:** Start producing and they will not be.

**Hon. Mr. Pope:** Second paragraph down from there: "Thirty-two per cent or 281 square miles were simply written off for future use as productive forest land."

More nonsense, and you know it.

**Mr. Laughren:** Do you want me to quote from your deputy's words?

**Hon. Mr. Pope:** You took "not satisfactorily regenerated" and deliberately interpreted it as meaning there would never be a productive forest on that land again. It would be a silvicultural desert. That is such nonsense, it is unbelievable.

**Mr. Laughren:** Are you saying that is a silvicultural desert?

**Hon. Mr. Pope:** That is what you are saying, and that is so much nonsense that it is unbelievable.

**Mr. Laughren:** May I quote from the deputy minister? You will not allow me to quote from the deputy minister.

**Hon. Mr. Pope:** No, I am just going to finish.

**The Acting Chairman:** Mr. Laughren, please, you had your opportunity.

**Hon. Mr. Pope:** "We are writing off forest lands at a rate of 37 acres an hour."

Again, that is nonsense. That means that you say there is no forestry potential in 37 acres of

land an hour, no forestry potential at all and we are writing off forest lands.

**Mr. Laughren:** You will not let me quote from the deputy.

**Hon. Mr. Pope:** We are writing it off. There is no forestry potential at all.

**Mr. Laughren:** Those are the deputy's words.

**Hon. Mr. Pope:** They are not.

**Mr. Laughren:** Are you refuting your deputy again?

**Mr. Martel:** You are dumping on him.

**Hon. Mr. Pope:** It is a deliberate attempt to try to convince the people that every piece of NSR land will never have a tree again.

**Mr. Laughren:** Nonsense.

**Hon. Mr. Pope:** It is hogwash. You misrepresented that across northern Ontario. That is why you do not understand what NSR means.

**Mr. Laughren:** You do not know how silly you are.

**Hon. Mr. Pope:** You do not understand it. That is why we have to define it for you, so you do understand it.

**Mr. Laughren:** May I remind you that "NSR" is from the deputy?

**Hon. Mr. Pope:** You already said it was a wasteland; it should be written off; it is desert. That is absolute hogwash and you know it.

**Mr. Laughren:** You are out to lunch.

**Hon. Mr. Pope:** Yes, you are out to lunch. I can quote you.

Then, the next point—I am just getting started on you guys. The next point: You said, "What is the use of planting all those trees if the survival rate is only going to be 25 to 30 per cent?" You said that all across northern Ontario there was a survival rate of 25 to 30 per cent.

**Mr. Laughren:** Those are your numbers.

**Hon. Mr. Pope:** Those are not our numbers. You know, and we told you in letters, that the survival rates range between 85 and 95 per cent. You know that. We told you that in a letter. You are now denying that?

**Mr. Laughren:** What date was the letter that told me that? October 24.

**Hon. Mr. Pope:** That is right.

**Mr. Laughren:** What date are you quoting?

**Hon. Mr. Pope:** Are you saying then you had no factual basis for 25 or 30 per cent?

**Mr. Laughren:** No, I am saying, first, all the information we got for that data is right here. I can show it to you.

**Hon. Mr. Pope:** You took that data and interpreted it the way you wanted to for political purposes.

**Mr. Laughren:** No.

**Hon. Mr. Pope:** You did.

**Mr. Laughren:** We used the deputy minister's—

**Hon. Mr. Pope:** Do not hand me that.

**The Acting Chairman:** Mr. Laughren, we will get into this later on. The minister is responding to your remarks.

**Mr. Laughren:** He is being provocative.

**Mr. Martel:** They are his statistics.

**Hon. Mr. Pope:** I think you should trace the history of this. First, you want to nationalize the forest products industry. That is your basic principle. Mr. Rae said that in Maclean's magazine in February 1982.

He would not do it for the manufacturing sector because of the problems it might create for job security, but you are in favour of nationalizing the forest products industry.

**Mr. Martel:** Nationalize what we own already.

**Mr. Laughren:** We already own the forests.

**Hon. Mr. Pope:** Then you opposed, under your previous leader, the modernization grants for the pulp and paper industry even though the national president of the Canadian Paperworkers Union on August 30, 1983, said it was a good decision. Then you said we were not planting two trees for one. Historically, that was your claim.

**Mr. Laughren:** You were not.

**Hon. Mr. Pope:** Then, when we showed you that we had now the capacity to do that, with the private nurseries and the government nurseries, you had to shift your focus. Then you said that only 25 to 30 per cent of the plantings were surviving. Then we gave you the true survival rates and you had to drop that. Now you are trying to say that NSR lands are being written off as desert land.

You have retreated on forestry issues all over the place. It is unbelievable.

**Mr. Laughren:** Who are you to talk?

**Hon. Mr. Pope:** You have politically retreated so far on forestry issues it is unbelievable. Maybe you should go back and look at the history. It is all in your quotes and all in your comments.

**Mr. Laughren:** It is all in your numbers.

**Hon. Mr. Pope:** Your point of view on forest industry is very clear. To his credit, Mr. Stokes has gone out and looked. He has talked to

foresters who disagree with our policies, and they work for us. They have always disagreed and they have always been public about their disagreement. They have spoken out in public. They have been quoted in newspapers.

Mr. Stokes has talked to them. He has talked to our foresters. He has gone to the Maple research station with you this week. You have gone to the private companies. Mr. Stokes has been aware of some of the problems, and there are problems in reforestation in the forest products industry.

I think you have to have a balanced point of view. You never once admitted we were making progress in reforestation when you were up north. You never once admitted we had made progress in the last two years.

What kind of a balanced point of view are you trying to present to your task force?

Yes, you can laugh all you want, but that is the truth of the matter.

**Mr. Laughren:** I am laughing.

**Mr. Stokes:** I want to assure you it will be a balanced point of view.

**Hon. Mr. Pope:** I understand. If you are writing it, I believe it will be, sir.

Now, I am just getting started. We talk about an attitude that we always are going to sue the media.

**Mr. Laughren:** I did not say you are always going to sue the media.

**Hon. Mr. Pope:** Yes, you did. I wrote it down as you said it. That is it exactly: threaten legal action every time there is a problem in interpretation. That is what you said, and if you go back in Hansard you will see that it is there.

I would like you to tell me in what instances other than Mr. Foster's letter we have threatened legal action every time we have a point of view expressed in the media that was not what we liked.

**Mr. Laughren:** The chairman will not allow me to respond.

**Hon. Mr. Pope:** Because there is no other instance.

**Mr. Laughren:** I want to tell you something—

**Hon. Mr. Pope:** Do you want to know why?

**Mr. Laughren:** Stop asking me questions and not allowing me to respond.

**Hon. Mr. Pope:** Do you want to know why? Because we have never interfered. As I said in the House, that writer expressed one point of view. That is what I said in the House.

**Mr. Martel:** And you were going to sue him.

**Hon. Mr. Pope:** You know as well as I do what prompted Mr. Foster's letter, the specific reference and the specific instance. You do. You know there was a correction—

**Mr. Laughren:** Yes, we saw that.

**Hon. Mr. Pope:** —on what Mr. Foster wrote. That is precisely the issue I think he as an individual is entitled to do. I support him 100 per cent.

**Mr. Laughren:** But you did not know he was doing it.

**Hon. Mr. Pope:** I said in the House I did not know he had signed and sent a letter to the Toronto Star. I was aware he was dissatisfied with the article. He felt his reputation had been attacked and he felt there were inaccuracies that reflected upon that reputation.

I was aware that he was discussing the matter with the Toronto Star. That is what I knew. I think Mr. Foster had every right to do that.

When you have been a forester for 35 years, when you have gone through all of the various levels of the profession, and worked your way from a district forester up through as district manager and regional director and then assistant deputy minister and then deputy minister, and when you know that something is inaccurate that reflects on your professionalism as a forester, would you not have done the same thing?

**Mr. Laughren:** I guess I wonder why you did not sue Harrowsmith.

**The Acting Chairman:** Just carry on, minister.

**Hon. Mr. Pope:** That comment you made tonight—and you can laugh and I understand why you are laughing.

**Mr. Laughren:** I do not understand the inconsistencies.

**Hon. Mr. Pope:** That is one of the most mean-spirited comments you have made in three years of estimates—that this man has no right to defend his integrity as a professional forester.

**Mr. Laughren:** I do not recall saying that. I said it was an indication of your bunker mentality. That is what I said.

**The Acting Chairman:** Order.

**Hon. Mr. Pope:** I think that is a disgraceful attitude to take. You can laugh all you want. I think it is sick.

**Mr. Laughren:** You are being silly.

**Hon. Mr. Pope:** You are being silly and I will defend this person's right to defend himself any

day. If you do not like it, I do not care. He has the right to defend his integrity.

**Mr. Laughren:** You are acting like a little child.

9:50 p.m.

**Hon. Mr. Pope:** No. You are acting like a child. You were acting like a mean-spirited, partisan politician when you drew that into your discussion tonight. You can laugh and you can do whatever you want. This man has a right to protect himself and he is going to as long as I am minister. You can just take that and do what you want with it.

**Mr. Laughren:** Are you ever macho.

**Hon. Mr. Pope:** So are you.

With respect to the comments of the New Democratic Party critic on mining, I think the policies and programs we have put in place over a period of time, including the Board of Industrial Leadership and Development, including the mineral exploration programs, have indicated in their response and in the progress that has been made with respect—

**Mr. Laughren:** Mr. Chairman, on a point of order. Sorry; I do not mean to interrupt the minister unduly, but he jumped from forestry to mining. I wondered whether he was going to respond to my "outrageous charge" that he had not lived up to some promises and commitments on the tabling of reports and so forth.

**Hon. Mr. Pope:** I am getting to that. That is the last point. Under wetlands policy I am going to address all policy issues.

On the one hand, you ask me to set targets. On the other hand, you criticize me for not living up to targets. I understand that. You wanted targets on parks—when they would be put in place—but if we do not meet the targets, you will criticize us even though we use our best efforts to try to put them in place.

You want me to set an artificial target so you can make an issue out of it next year.

**Mr. Laughren:** No, I want a real target.

**Hon. Mr. Pope:** I understand that.

**Mr. Piché:** I could have told you that before.

**Hon. Mr. Pope:** Mr. Chairman—

**Mr. Laughren:** The government mentality is scary at times.

**The Acting Chairman:** The minister has the floor.

**Mr. Piché:** Can we start again?

**Mr. Laughren:** I think it is called the arrogance of the majority.

**Hon. Mr. Pope:** Yes. Every time we have a discussion, I am arrogant and you are holy. I understand that.

**Mr. Laughren:** That is your statement, it is not mine.

**Hon. Mr. Pope:** When we put those policies in place, it is true there were some problems in mining exploration involvement in the province, that there had not been the number of new mines opening we would have liked to have seen. The Ontario mineral exploration program, the expanded Ontario geological survey program, the BILD program with respect to industrial minerals, and the gold milling program under BILD as well were all programs we wanted to put in place to encourage mining in Ontario. I think to some degree they have been successful, not as successful as they can be in the future, but we have made a start.

As to our gold mills in Sioux Lookout and Beardmore, it is a very difficult operation to run a custom gold milling facility. We are trying to give them time to put it in place. What we want to try to do is allow for small and medium-size ore bodies to develop and to be milled to generate some revenue so it can be put back into these small and medium-size ore bodies and, it is hoped, allow these operations to continue on and expand.

As I say, it is going to take a couple of more years to really know the results of that, but I think the policies and information we have given to prospectors and developers are partially responsible as well, obviously, as the mineral potential in the ground.

As to the kinds of information we produce and the work we have done as a ministry, we can prove it made an impact on the Hemlo development, both in terms of the 1971 map and the 1979 report, in the three companies applying for Ontario mineral exploration program grants and using them to do the initial development work on the Hemlo deposit.

I think a stable regulatory environment with respect to prospectors and developers has led to more and more licences—I think three times the number of prospectors' licences were issued this year as opposed to last year. We had over 60,000 claims registered in the first nine months and that breaks the old annual record of 55,000 for the entire 12-month period. We had record assessment work done on those claims.

We have had some new mines in the precious metals. I understand the member's concern about base metals, nickel and iron ore, which I will get to in a minute, but we have had some

increased activity around precious metals and industrial minerals that augur well for the mining industry. I think it will mean more employment and, in some communities, some diversification of the economy, particularly in the Cochrane north area where there will be employees working at the mines.

We still have some long-term problems with respect to nickel. I sat with the member for Nickel Belt (Mr. Laughren) and the member for Sudbury East (Mr. Martel) on the select committee on Inco Ltd. in 1978, looking at those issues. Since I became minister we have been re-examining the worldwide nickel problem.

Basically—I am just quoting from memory now but—I think worldwide capacity is 1.6 billion pounds and actual market demand is 800 million pounds. So that, coupled with the fact that some countries are marketing nickel for strategic and foreign exchange reasons, has led to some real problems.

I think the fact we had facilities in Great Britain specifically, allowed the Canadian government an entrée into the European Economic Community for the purpose of discussing the Russian's activity with respect to nickel. Last year the result of that was, to my recollection, some discovery of dumping by the Russian government in the European Economic Community. I believe that will lead to redress of the marketing problem we have.

I cannot offer any hope—I wish I could—of any substantial price increase for nickel or iron ore in the near future. The people in our ministry who have looked at this issue feel we are in for very little change by way of price or by way of supply or demand in the world scene for another five or six years. The iron ore situation is probably worse than that.

Within the confines of the ministry, we have tried to diversify mining activity into precious metals in the Sudbury basin. It is one of the reasons why, just a few weeks ago, we announced the exploration program in and around what we call the Cobalt plate, which stretches from Sudbury to North Bay and then up to Cobalt in an almost triangular pattern.

**Mr. Martel:** Did Judy announce that much earlier?

**Hon. Mr. Pope:** Well, she announced a program of some kind.

**Mr. Laughren:** She is always beating you to the gun.

**Hon. Mr. Pope:** You are trying to start something.

The situation now is that we, as a province, are administering our own program for mining exploration in that area. We hope the information that program provides will stimulate some money and development the way it has in other parts of the province. We intend to try to make as much information as possible available to the public.

We do feel—particularly in the member for Nickel Belt's riding, up in the Foleyet area—that there are some signs of encouragement in mining activity development. It is to be hoped it will lead to greater employment than it has in the past and bring some benefits to that great community.

We think if we can get a proper program in place—We do have some legal problems with respect to the Cobalt plate that relate to a court action now before the Supreme Court of Ontario. If we can resolve those problems, I hope we can get into some active mining exploration. That would benefit the Sudbury area because of the geological formation—the way it is situated—and would also have a positive impact on the Cobalt area as well.

We are trying to undertake those initiatives. Although we cannot guarantee success, it will hopefully stimulate more economic activity.

Parks: We do have in mind bringing the parks in the Niagara Escarpment area into regulation, and also the waterway parks class in Ontario. We are working on that and have been since September. We are hoping to bring them into regulation all together and then have the parks master planning proceed from there.

10 p.m.

The blue book is still the guide we use. There has been no thought of changing it. The classification system in the blue book is still the classification system that is the basis for our decision making. I am not aware of any move to change it.

It is true that when we look at the creation of parks by regulation, in some instances it is appropriate to decide at the front end what resource uses will be allowed in the park. The reason for that is nothing that I have kept from the public or parks advocates.

When I went to the St. Lawrence Centre I specifically stated that in the development of new parks and land use plans or guidelines that we would take into account the northern Ontario communities, the point of view of the residents and the possible impact on the economy.

I did not mean that parks do not have a value in the economy. That was part of the cost-

benefit argument that I rejected from the resource industry sector, because raw land itself has a value that goes beyond something that can be quantifiable in money terms. I did not think you could get into those kinds of equations.

Where you have existing trappers, including native people, with traplines in the parks; where you have existing land use permits for cottages and tourist establishments that are well established and that create some benefits for the community; where you have a long-existing community dependence upon some of the resources situated in the park, I do not think you can lightly disregard them. If there are no alternative traplines for the trappers—which is the case in all those wilderness parks, even that far north; there are no alternatives for them to go to—we have to be realistic and allow trapping to continue in those parks. We have to use other mechanisms such as control over the quotas and things like that to address any specific and intensive management problems that this might create.

Where there are tourist establishments—for instance, in the Woodland Caribou park there are two river systems running through that park that already had a number of cottages and tourist and outpost camps located on them that had been there for quite some period of time. We felt that while we did not necessarily want that kind of activity to expand beyond those two river systems running through the park, we could not in good conscience move them out of there because in the neighbouring area there was not enough capacity to accommodate all of those who would be displaced. We had to make that kind of decision.

I tried to indicate that mining in parks would be allowed under controlled circumstances and the kind of thing we discussed with the interest groups and others who talked to us about it were things like instead of running claim lines, maybe we would have tape—what do you call it, streamer tape? We would tape the claim lines or tape—I cannot remember the terminology. Anyway, you tape the line along the tree line and run it straight. There are no roads into drill sites, no clearing of overburden to expose bedrock.

These are the kinds of things on which, from place to place, you would make that decision. We had one inquiry about potential exploration in a park, but nothing specific ever came of it and there was no application for licence of occupation. That has been the extent of it.

If you look at the geological maps you will see there is an area of high mineral potential in the

Woodland Caribou area. It was identified as a granite rock formation, but having sufficient geological interest when you see the similarity with the Hemlo area, to warrant some special consideration.

We feel there is a recognized mineral potential in the Lady Evelyn-Smoothwater area which is right in the Cobalt plate. We are not saying that mining development or exploration as we would know it in its traditional forms would be going on there, but when we have an application, then we have to look at what kinds of activity we can allow without destroying the integrity of the park areas we are trying to create.

The other thing is that because there are tourist facilities that have to be protected, we had to allow access by aircraft in certain parts of the parks. That was another specific regulation that was passed with respect to some of the parks. The planes could land in certain parts of the park. They have to get our permission, but they can land.

**Mr. Stokes:** In certain parks.

**Hon. Mr. Pope:** Yes. The only front-end discussions we have had on that issue have been with respect to the six wilderness parks. We want to create the wilderness parks. At the same time, we did not want people to feel there was any uncertainty about carrying on traditional resource uses in those areas. That is why we created those six parks and at the same time put in the provision for these other resource uses to continue.

At some time they could conflict, and then one would have to make a decision on limitation of resource uses to preserve the integrity of the park values.

**Mr. G. I. Miller:** Are there any roads going into these parks?

**Hon. Mr. Pope:** There is a lumber road that goes through Lady Evelyn-Smoothwater. It supplies the Oak Lake mill, does it not?

It is a transportation road. There is a cutting area to the south of the park, and they haul the wood through the park to the mill. That road has been there for some period of time. I think that is the only road, is it not?

**Mr. Laughren:** When are we going on a tour so members can see the beauties of the north?

**Mr. G. I. Miller:** I have been up there a few times.

**Mr. Laughren:** I am talking about a members' tour.

**Hon. Mr. Pope:** That is another thing I promised, you know.

**Mr. Laughren:** I forgot about that broken promise.

**Hon. Mr. Pope:** I promised it to Mr. Nixon.

**Mr. Martel:** Even a food terminal has been promised.

**Hon. Mr. Pope:** But Frank Drea was in that.

The Bruce Peninsula park—I do not think it is fair to say we are being difficult.

**Mr. Laughren:** I will tell them.

**Hon. Mr. Pope:** I wish you would, because I do not hear very much from them quite frankly. There are some people in Parks Canada who believe their classification system and their use system is sacrosanct and cannot be changed or amended even if the people in the area want it changed or amended. We happen to believe the people should have some say in whatever resource uses should be allowed to continue in a national park.

I sent a one-paragraph letter to the minister indicating we are ready to negotiate with respect to the national park but one of the issues we wanted negotiated was the continuation of hunting and fishing in the park. We think that is an issue that has to be addressed at the front end of the process. When you are creating a national park, people have the right to have a say.

People are on both sides of the issue, even up in the Bruce Peninsula. The Tobermory Chamber of Commerce has some real misgivings about hunting and fishing going on there, and some of the others in other townships are in favour of it. There are groups on both sides of the issues in terms of clubs and tourist organizations—

**Mr. Laughren:** Who said governing was easy?

**Hon. Mr. Pope:** Nothing is easy. The discussion has to take place with the people up there. A guy from Ottawa cannot dictate what uses will go into a national park.

**Mr. Laughren:** Why do you not allow Ottawa to carry on the debate with the people, since this is going to be their park?

**Hon. Mr. Pope:** That is precisely what we told them to do, to discuss the issue of hunting and fishing within the national parks boundary with the people.

The comment we got was: "The regulations do not allow hunting and fishing in parks. Therefore, we won't discuss it."

I say, "Nonsense, they had better discuss it." If they have to change their regulations to

account for the local people's point of view, then they had better do it.

That was the discussion. If that means I am being difficult, maybe you can report that I am or that I am not, whatever you want to interpret it as being.

**Mr. Laughren:** You know I will interpret it fairly.

**Hon. Mr. Pope:** That has been the only issue we have asked them to put on the agenda for discussion.

**Mr. Laughren:** That is a pretty big "only."

**Hon. Mr. Pope:** If it is pretty big, then—

**Mr. Laughren:** If it is stopping the transfer of land to the federal government, it is a pretty big "if."

**Hon. Mr. Pope:** If it is big enough to create a problem, then it is big enough to be discussed with the local residents. I am glad you support my point of view. I know you do not.

10:10 p.m.

**Mr. Laughren:** I will try to make it clear. It seemed to me your responsibility is to transfer it to the federal government, and then the federal government does its thing with the local people. You are playing at two levels of government.

**Hon. Mr. Pope:** Yes. If the federal government wants land from me, do you think it is unfair of me to ask what is going to be done with it?

**Mr. Laughren:** I think it is up to them to negotiate with the local people.

**Hon. Mr. Pope:** But if they will not?

**Mr. Laughren:** You are trying to negotiate—

**Hon. Mr. Pope:** If they will not?

**Mr. Laughren:** That is your problem.

**Hon. Mr. Pope:** That is not my problem. It is the people up there who have the problem. I want them to have the right to have a say in what goes into the park and I do not think there is anything wrong with that. If you do not think the people should have a say in that kind of an issue, think you have reversed what you were saying about me earlier.

**Mr. Laughren:** No, I think people should have a say—

**Hon. Mr. Pope:** You have a bunker mentality about the national park.

**The Acting Chairman:** Gentlemen, we are not having a dialogue here, we are having a response to the critics' questions.

**Hon. Mr. Pope:** On wetlands policy I was not going to use the inventory argument. I had not thought of it, but now you have mentioned it, you are aware, of course, that, along with the federal government, we agreed on a classification system. You are also aware that part of the funding we put in the hands of the conservation authorities includes the acquisition of wetlands.

I think when we get into more detail on this in the estimates we can give you some indication. We were looking a couple of weeks ago at the acreage and the value of money that has been expended on acquiring wetlands. There are a number of fundamental issues that were raised in the wetlands responses that I think, quite honestly, we have been looking at.

I should say I told the Federation of Ontario Naturalists' meeting in Ottawa on June 3 exactly what I am saying to you tonight. One of the reasons for the delay in the wetlands policy was that we were so personally involved in the strategic land use planning exercise and trying to finalize those decisions that we did not get to it, and that is the honest truth of the matter.

We just did not have time to get to it in January, February and March. We were meeting three times a week on land use guidelines and trying to finalize those issues and the parks issues. Quite a considerable degree of debate took place during that process.

To be effective, I think the wetlands policy has to be a provincial policy statement under the new Planning Act, which is the same thing we are trying to do for aggregates and the same thing we are trying to do for flood plain policy. We think that these policies should be referred to by municipalities when they make their planning decisions. By having status as a provincial policy statement under the Planning Act, it is my understanding they must be referred to by municipalities.

We say that because one of the key issues the cabinet will have to consider through the cabinet committee on resource development and also the whole cabinet is whether the priority is acquisition of wetlands or the priority is zoning or official plan amendments to preserve and protect wetlands, or is it a mix of the two, and how much money are we prepared to put into it?

These are the kinds of issues that have to be addressed on a medium- or long-term basis. If it is just a zoning mechanism, will there be such things as municipal tax rebates for maintaining or retaining wetlands?

These things, I think, have been drawn to your attention by FON. Will there be municipal

tax credits if we keep the wetlands as wetlands? You are right, it is one of the more important issues.

In water management I have tried to relate flood plain programs, which have their negatives politically, and the zoning of wetlands for preservation, which could be negative politically, to an overall water issue, a central issue we have to address as a province. You cannot have proper water management, you cannot have proper water quantity control or quality control, unless you keep your natural filters in place, and you cannot have the proper habitat for fish and wildlife and game birds unless you have the proper habitat in place.

I have been trying to take specific policy issues and link them back into an overall water program to show what the overall program has been, even though some elements of it may upset you from time to time. That is a political argument that has to go on out there and it is a very difficult one, as you can tell from the problems we are having with flood plain management, the flood plain policy of the government.

In spite of all the considerations that have been given to flood plain policy over the years, it is only when it is implemented and actually applied at a local level that you really get the specific concerns expressed.

So we are trying to make some progress on it. I would really prefer to have it as a provincial policy statement under the Planning Act where it would have real force, I believe, in planning decisions on a local level.

**Mr. Laughren:** At the risk of invoking your ire, do you have a target date for a wetlands policy?

**Hon. Mr. Pope:** I will not give you a target.

**Mr. Laughren:** Are you going to continue to have your moving target?

**Hon. Mr. Pope:** I do not want to move it.

**Mr. Laughren:** It is much more difficult to hit.

**Hon. Mr. Pope:** Let us just say that I did not meet my target. You can reiterate that and I will do my best to try to get it through fast. That is all I can tell you: I will do my best. It is in front of the cabinet committee on resource development, with all of the elements and comments. I will just try to push it along, that is all I can tell you.

**Mr. Laughren:** Maybe now with somebody aggressive, like Mr. Sterling, it will move along faster.

**Hon. Mr. Pope:** You asked about private land

forests. I forgot to tell you that we had 17 public forums across the province attended by 1,500 interested property owners and other concerned citizens. We are going to release a white paper on private land forests pretty soon; I am not going to give you a target date on that either.

**Mr. Laughren:** No, do not do that.

**Hon. Mr. Pope:** Pretty soon, in the fullness of time; we are fairly close to it anyway.

In general terms, I think that those are some of the issues that I wanted to bring to your attention in reply to your leadoff. I would like to indicate that I appreciate the efforts of your caucus members here and in Ottawa with respect to the fishing agreement at a time when you were being criticized as well, and also that you allowed things to develop by adopting a wait-and-see attitude, before taking a position on some of our other initiatives.

**Mr. Laughren:** Everything. We have given you lots of time on reforestation.

**Mr. Martel:** Forty years.

**Hon. Mr. Pope:** Forty? I am not even 40 years old. Anyway, I wanted to thank you for your comments.

**Mr. Laughren:** Excuse me, you did promise to deal with a few of those early issues that I raised about some of the policies. I am thinking of the forest production policy, the wood utilization policy, the wasteful practices policy, the survival—

**The Acting Chairman:** Mr. Laughren, as I recall, you asked to deal with them under the regular vote.

**Mr. Laughren:** Fine, I am easy.

**Hon. Mr. Pope:** Mr. Reed raised a few issues on which I have some information. The maple dieback that he dealt with last time was a worse problem 15 years ago than it is now. There is scientific controversy as to the cause of it. I do not think it is anything on which I can give you an accurate conclusion or answer.

He dealt with the effects of acid rain or forests. It is particularly an issue now in the southern part of West Germany with a number of initial studies being done to determine what the cause is, whether or not it is acid rain or just plume contact, which has a different impact on the forest.

Some scientists in Europe are working on it right now, both in Scandinavia and Germany. North Carolina has spearheaded some research activities on the issue in the United States and in the international community. They are putting some of their research scientists on it as well

We have had discussions with North Carolina on how we can participate in that research activity on a co-ordinated basis.

The problem in the southern forests of Germany is that they are having an inordinate number of needles dropping off the boughs as well as bare spots in the tree. The shape is altered. There are bare spots at the very crown of the tree.

10:20 p.m.

**Mr. Laughren:** That is not pine needle midge, is it?

**Hon. Mr. Pope:** Some of these effects have already been photographed and catalogued by scientists in the southern part of West Germany. The international scientific community is trying to assist the West German government to get some scientific consensus on the possible causes.

I do not think we are far enough along in our research work to give you any cause and effect relationship, or to predict what could be causing it right now. It may come in a couple of years. I think everyone is trying to work together on it.

**Mr. G. I. Miller:** What about Dutch elm disease? Is there any thought of it growing out of the cycle? I see a lot of it. I do not know if you have any information on hand.

**Hon. Mr. Pope:** I can try to get you some. I do not think the situation has changed really.

**Mr. G. I. Miller:** There are a lot of young trees. I do not know whether they are going to be able to survive or not.

**Hon. Mr. Pope:** A study has been done by Lakehead University with respect to a preliminary investigation into the aetiology of maple decline in southern Ontario. If Mr. Reed would like a copy of the study, I can provide it for him. Other than some of those preliminary investigations, we really have not made much progress scientifically in tracing a cause.

Mr. Reed also discussed peat. There are some articles on peat in the ministry publication and landmarks, which I will also leave for him. Those are the—

Interjection.

**Hon. Mr. Pope:** I am holding back for a grand male.

**Mr. Martel:** Are you? I can wait for 10 more minutes.

**Mr. Newman:** In weather forecasts, we have never heard of a jetstream before. Now suddenly they are paying a lot of attention to the jetstream. Is that having any adverse or beneficial effect?

**Mr. Laughren:** You are asking the right person.

**Hon. Mr. Pope:** Mr. Laughren said that we caused it through the use of the Challenger.

**The Acting Chairman:** I have a list of speakers.

**Hon. Mr. Pope:** I do not know what the answer is.

**Mr. Newman:** Are you studying it at all? Are you having officials look at it?

**Hon. Mr. Pope:** Yes, because it does have an impact on water temperature at specific times of year. It can affect fishery production and also aquatic life. It will be of concern.

**The Acting Chairman:** Thank you very much. I assume at this point, you feel you have answered both critics, even though Mr. Reed is not here tonight. Is that the case?

**Interjection:** Even though Mr. Laughren is unhappy.

**The Acting Chairman:** In that case, with the permission of the committee, we will move on and start discussing the votes.

On vote 2501, ministry administration program:

**Hon. Mr. Pope:** Are we going to discuss my salary again this year?

**Mr. Laughren:** I assume you do intend to answer those unanswered questions?

**Hon. Mr. Pope:** Yes.

**The Acting Chairman:** As you know, we normally allow a wide-ranging discussion on this first vote. I have Mr. Watson first on the program.

**Mr. Watson:** One of the things I would like to discuss follows from what the minister said tonight about consultation with the groups in the land use plans. Not everybody was happy with them, but at least the people out in the communities had a chance to talk about them. You have gone to the community and asked about other programs you have initiated.

We have a specific problem in southwestern Ontario—at least I think it is more specific down there—with regard to your recent action on nonresident fishing licence fees. I think there are administrative changes.

I refer to the fact that you raised the fees from \$8 to \$10 for a four-day licence. I do not expect you to go to a community to get opinions when you raise a \$15 seasonal fee to \$20 for a 21-day fee, but when you start doubling the season's fee from \$15 to \$30, it seems to me that involves a policy change that affects the people, particu-

larly the one-day fishermen, who come into southwestern Ontario.

You instituted a new three-week policy. My people—and I tend to agree with them—say you are bowing to the wishes of the people in northern Ontario who run lodges because the people who last year had to buy a \$15 licence to go for their holidays to fish, this year have to buy a \$20 one, because they do that within three weeks.

**Mr. Stokes:** That is not in this vote.

**Mr. Watson:** If you do not want to discuss it here that is fine, but it is in general—

**The Acting Chairman:** We will allow this question in the first vote.

**Mr. Watson:** I am wondering why you did not discuss it.

Can you justify the doubling of that fee without consultation with the people? Did you take into account what you are going to do to the people in southwestern Ontario who work in a day's fishing now and then? The people who come in and fish there do not spend any more time fishing the waters than the fellow who comes in and spends three weeks at a lake or resort some place, probably not as much. They drive in a day at a time and they might come 10 weekends a year or five weekends a year.

The people in my riding, at Lake St. Clair, have not had the repeat bookings they have had other years. I would like your comments on it and justification for it.

**Hon. Mr. Pope:** First, this issue has been out there since March, if not before that, when we indicated publicly that we were reviewing our nonresident fishing fees.

Our initial proposal to the public was that we have a 21-day licence and a four-day licence and perhaps a 10-day licence, with no seasonal licence whatsoever. We did get reaction. There were a number of columns written, both in Ontario and in the neighbouring states. We received letters from tourist operators, in eastern Ontario particularly, and other parts including the north, indicating they had some concerns with the lack of a seasonal licence and wanted a seasonal licence reinstituted and did not see the need for a 10-day licence.

Because of those comments I indicated in late June we were prepared to reinstitute a seasonal licence and that the fee would be in the neighbourhood of \$50. We then had another round of comments and articles written by sports writers and outdoors writers and another extensive letter-writing campaign from both

American visitors and Ontario tourist operators, and cabinet decided that it should be reduced to \$30.

I would like to say that the American media have made a number of objections to this. They have never objected to the process, although in fact they have been commenting on these proposals for the last six months anyway. I have had a number of direct interviews with them and have phoned in to a number of radio stations in Chicago, Buffalo, New York state, in response to their requests for interviews.

For every resident Ontario angler in the province, the taxpayers of this province pay \$38 a year of their tax dollars. That is not what we are charging our American friends to come and fish in our waters.

**Mr. Watson:** How do you calculate it? Where do you get \$38?

**Hon. Mr. Pope:** We calculate the number of anglers from anglers' surveys. We divide that by the amount of tax dollars that are going into our fishery resource and it comes out to \$38 a year that we are spending for each resident angler, and it is taxpayers' money. So the nonresident angler is paying less than the Ontario resident angler for the right to fish in our province.

**Mr. Kells:** What about the guys who do not fish, like me? We are paying a heck of a lot.

**Hon. Mr. Pope:** You are still paying. You can fish any time you want.

I reject the principle that some American sports writers are advancing that because we do not have a resident fishing licence we are not paying our fair share. That is absolutely untrue. We are paying more than they are paying for the right to fish in Ontario.

The second point is that if you examine the fees charged in comparable jurisdictions—and I will grant you Michigan is a notable exception—you will find we are right on line with what they are charging for nonresidents to fish in their jurisdictions.

In some jurisdictions it is a great deal more. In some New England states, South Carolina, and some of the other states, it is upwards of \$50 and \$60 American for the right for a nonresident to fish in their jurisdiction. Some of them even have what they call alien fishing seasons; they do not let nonresidents fish at certain times of year. We do not have that system.

**10:30 p.m.**

**Mr. Stokes:** NOTOA published the figures here a month ago.

**Hon. Mr. Pope:** Yes. I have had representations, and I know there has been a problem at Lake St. Clair. A lot of concern has been expressed. People have come to see me. During the summer months I received letters from Resorts Ontario and a number of other organizations indicating there was a problem.

Our information is that 94 per cent of the tourists who come into Ontario stay for 15 days or fewer one time a year. The net effect of our fee increases will be to raise it from \$15 to \$20 for them.

The second point I want to address is that I am not a captive of the Northern Ontario Tourist Outfitters Association or of northern Ontario tourist interests. They come to see me. They come and ask to meet with me. If other tourist organizations do not want to come to meet with me, what am I supposed to do?

I try to get information out to them through press releases, through the media, and if issues arise they write to me. I have never seen them reluctant to write to me. Resorts Ontario wrote to me during the summer complaining about the program, and many individuals and members of this Legislature wrote to me complaining and setting forth the problems they thought we were creating.

NOTOA comes down and asks to meet with

me on a whole range of issues. Just because NOTOA has one point of view—as they will tell you at their meeting going on in Sudbury right now—it does not mean that is going to be the policy of the Ministry of Natural Resources.

They happen to think we are right out to lunch in terms of resource access policy, that we do not protect the tourist industry enough, and they are critical of our policies. We listen to them. If they want to come and see me, they are perfectly entitled to come and see me and make their representations. We try to accommodate everyone we can when we develop regulations.

**Mr. Watson:** Perhaps we could continue this.

**The Acting Chairman:** I have to call attention to the clock. Do you want to further your questioning, Mr. Watson?

**Mr. Watson:** Yes, I think so.

**The Acting Chairman:** Mr. Miller, you are next on the list. As acting chairman of this committee, I understand we will meet tomorrow morning at 9 o'clock on the Weiler report and we will next have the minister with us at 7:30 on Thursday evening. Mr. Watson is first on the list and Mr. Miller is second.

The committee adjourned at 10:31 p.m.

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No. R-19

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# **Hansard**

# **Official Report of Debates**

## **Legislative Assembly of Ontario**

**Standing Committee on Resources Development**  
Estimates, Ministry of Natural Resources

**Third Session, 32nd Parliament**  
Thursday, November 24, 1983

Speaker: Honourable John M. Turner  
Clerk: Roderick Lewis, QC

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# LEGISLATIVE ASSEMBLY OF ONTARIO

## STANDING COMMITTEE ON RESOURCES DEVELOPMENT

Thursday, November 24, 1983

The committee met at 7:39 p.m. in room 228.

### ESTIMATES, MINISTRY OF NATURAL RESOURCES

(continued)

**Mr. Chairman:** I call the meeting to order. We have a procedural matter to discuss. I wonder if it is appropriate to discuss it without Mr. Laughren being here.

**Mr. Stokes:** Please do.

**Mr. Wrye:** Mr. Chairman, I think Mr. Laughren will be down very shortly.

On vote 2501, ministry administration program:

**Mr. Chairman:** Mr. Watson was speaking. Perhaps we can go on with the estimates and we will revert back to the procedural matter when Lloyd arrives.

**Mr. Watson:** Continuing where we left off the other night, one of the figures you had just given me was that it cost the province \$38 and change for each angler in the province. Can you explain to me how you get that figure? I think that is important in light of the fact I have been rather critical of your charging \$30 for nonresident people.

**Hon. Mr. Pope:** We get it by adding the total expenditures from both the government of Ontario and the federal government on fishery resource matters in Ontario—it is a co-operative program in any event, but there is some contribution from the federal government—and divided it by the estimated number of anglers in the province according to our angler surveys. It turns out that the figure is about \$38; I think it is a little more, actually.

That does not include value added by resident anglers in Ontario through volunteer work or through expenditures out of their own pockets for the community fisheries involvement program, which we estimate has added \$3 million to \$4 million in value to the fishery resource in the province. It does not include the money that both the federal and provincial governments have spent on section 38, the Canada-Ontario employment development and northern employment incentives programs that have involved themselves in habitat rehabilita-

tion, creel census and other activities related to the fishery resource. We think it is a conservative estimate and it does indicate a substantial commitment by the resident taxpayers to the fishery resource.

One of the bases of misunderstanding, particularly in Detroit and Michigan, is that they have a system whereby the funds that are received from fishing licence revenues are committed or dedicated right back to the fishery resource and that is their source of funding. If we had that sort of equivalence in Ontario between potential revenues from a resident fishing licence and a nonresident fishing licence, we would get less money spent on the fishing resource than we now do.

I think it is dangerous for us to be drawn into the American argument. Obviously, they do not understand our system and they see a more direct relationship between revenue and expenditures, and that is the way they like it under their system. The difference in our system has really enabled us to put more emphasis, and accelerated emphasis in the last two years, on the fishery resource.

In addition, we do not account there for the accelerated capital we put in this year to speed up hatchery production, which eventually is going to have a beneficial impact on the fishery as well.

When this issue arose through—who is the Detroit Free Press guy? There was one in Detroit and there was one in Cincinnati. There is an outdoor writer who writes on a regular basis about Canadian and Ontario resource issues. He tried to give some indication of a comparison. One of the main issues he threw into the mix was that Ontario residents paid nothing for the right to fish. The reality is that for every resident of Ontario who takes advantage of the right to fish, everyone in the province is paying \$38 each year in tax dollars, so we are paying for the right to fish.

The second point he made was that a husband and wife, nonresidents, coming to Michigan to fish, could fish—and I recall the numbers—for about \$40 or \$45 Canadian, whereas in Ontario it would cost \$60 for two seasonal licences of \$30 each.

We looked at that issue, and it dovetailed in with the feeling of some of the tourist operators in eastern Ontario and from the member's part of the province about the need to encourage family fishing vacations in Ontario. We decided to provide for a family fishing licence, even though the poll published in the Detroit Free Press the same day the columnist attacked our system, indicated that the majority of Michigan residents felt they should abolish the family fishing licence, the husband and wife fishing licence. We decided to institute a combined licence for a husband and wife and children under 17 for a \$40 fee to encourage family fishing vacations in Ontario.

The net effect of that \$40 fee is that it is not a substantial increase over what they would have paid last year individually when we did not have a family system in place. We just introduced it this year. When a number of tourist operators from different parts of the province came and met with me, having a family fishing package was one of their main demands.

When the issue was raised initially in the cabinet discussion we decided that we agreed with those groups and we would opt for the family fishing licence.

**Mr. Watson:** One of the other things you did this year was institute a tag system, which is new. Why did you opt for the tags?

**Hon. Mr. Pope:** Quite frankly, we feel the tags, to some degree, will discourage targeting on lake trout and muskellunge, particularly in southern Ontario. We have evidence of some overharvesting, leading to decline of lake trout and muskellunge populations in some of the lakes that are readily accessible from the border states. We wanted to have that element of discouragement in there, plus it meant more revenue for consolidated revenue. There is no doubt about that. Populations in some of the lakes that are readily accessible from the border states. We wanted to have that element of discouragement in there, plus it meant more revenue for consolidated revenue. There is no doubt about that.

The stamp system is in place in most of the other states at this time and has been for some time. That was not a novel idea. Most other states have it, not necessarily for trout and muskie, but they feel that various species are under stress and need some help.

**Mr. Watson:** What is going to be the situation for tags under the new family permit?

**Hon. Mr. Pope:** The tag attaches to the permit, not to the person or persons.

**Mr. Watson:** Therefore, it is going to be \$5 per family?

**Hon. Mr. Pope:** Yes.

**Mr. Laughren:** Save on stapling costs.

**Hon. Mr. Pope:** We will charge them for the staples, too.

I should note that the member for Renfrew South (Mr. Yakabuski), the parliamentary assistant, is here tonight—again this year.

**Mr. Laughren:** Let the record show there was loud applause again. Let the record show, as well, that the members were in general agreement that the member for Renfrew South has finally been given responsibilities in the ministry.

**Mr. Lane:** He has always had them.

**Mr. Chairman:** I have had several good meetings with him.

**Mr. Watson:** Mr. Minister, you cannot cover all the bases, but I do think some of these things should have come out sooner. It was perceived that the fishing licences were going from \$15 to \$30, that they were being doubled. If some of these groups had had some of this information and if there had been discussions with them on this side, and I realize you cannot cover everybody, I think you would have received more support from some of the charter boat operators or some of the fishing camp operators, especially on Lake St. Clair.

Do you have any comment on why you would not opt for a one-day permit? I understand they have a one-day permit in Michigan. One of the arguments I get is that we do not have it. We simply limit it to four. Our people say, "If we have a four-day permit that did not make it consecutive days, we would be happy with the type of people we get." I realize that might pose administrative problems. I guess what I want to know for our people is why would you not opt for a one-day permit to have the equivalent to what is available in Michigan?

**Hon. Mr. Pope:** I am not sure if I recall the entire history of it, but I believe about 10 years ago we had a two-day permit. On the basis of representations from the tourist industry and after a lot of discussion about administration costs, it was decided to go to a four-day permit. We have maintained that ever since.

I guess in general policy terms a one-day licence would encourage someone to cross over into Ontario, get his licence, spend the day fishing and go back to his home state that night.

**Mr. Newman:** Is there anything wrong with that?

**Hon. Mr. Pope:** No, but in terms of economic benefit to the province, we believe there is more benefit from a longer stay.

7:50 p.m.

**Mr. Watson:** The charter boat operators would not agree.

**Hon. Mr. Pope:** That is what we are trying to encourage. If you are talking about the four-day licence, last year it was \$8 Canadian; this year it is \$10 Canadian. I do not know what your proposed charge would be for a one-day licence. If it was much less than that it would not cover administration.

**Mr. Newman:** The administration charges are still there, even if no one comes. Any money you have coming in is still to your financial advantage.

**Hon. Mr. Pope:** For a one-day licence system? I just had a meeting with a tourist organization this morning that was complaining about the amount of time and administrative costs to them of the licence system we now have, let alone a daily licence permit system.

**Mr. Newman:** I look upon it as encouraging tourists, say Michigan residents, to come across into some portion of Essex county and fishing and then going back. I do not see anything wrong with that unless you can tell me something that is wrong.

**Hon. Mr. Pope:** There is nothing wrong with them paying \$10 for a four-day permit or \$30 Canadian for a year.

**Mr. Newman:** The only thing is you price yourself out of the market.

**Hon. Mr. Pope:** I do not think we are pricing ourselves out of the market.

**Mr. Stokes:** Where else can they go?

**Mr. Newman:** They will not bother going there at all, so you are not going to get anything.

**Mr. Stokes:** We cannot give the resource away.

**Mr. Newman:** We are not giving it to them. They have got to catch it.

**Mr. Chairman:** Let us not have side-talk. Mr. Newman has asked a question.

**Mr. Watson:** It is an issue down our way. We have people who operate charter boats who say that if there is a group involved where some organization is paying for an afternoon of fishing and no individual is paying it, that does not matter. However, the guy who comes in who

wants to take his family out fishing for an afternoon or something does not do it because four times \$10 is \$40. He just drives on to do something else.

**Hon. Mr. Pope:** Except that for \$40 a husband and wife and all their children under 17 can fish for the entire season, which is better than they can do in Michigan.

**Mr. Watson:** I agree, but that is a change I think you made under some pressure.

**Mr. Stokes:** Are these southern pork and beaners he is talking about?

**Hon. Mr. Pope:** The Michigan system has the husband and wife only on the joint permit. It is not an actual family licence.

**Mr. Laughren:** That is a fast shuffle here now.

**Hon. Mr. Pope:** Yes, I am sorry. I should not have. Anyway, I do not know what the terminology is.

**Mr. Watson:** Half a loaf is better than none. We got somewhere.

**Hon. Mr. Pope:** Another thing to keep in mind is that the Michigan fees, which are going to be raised this year, are not that far out of line with the Ontario fees. I understand residents pay the same fee as nonresidents in Michigan. The person who is fishing in Michigan is not paying that much difference to come over and fish in Ontario.

We reviewed all of these things. We looked at all the charges for all of the jurisdictions. Some New England states charge \$55 or \$60 American for nonresidents. That includes people from outside of that particular state to come in and fish. Others have something called an alien fishing season where nonresidents can only fish at certain times of the year.

Michigan is the only comparable example where we are slightly ahead. Therefore, the comparison is not particularly good for us in the Chatham-Windsor area. The reality is, compared to all the border states, our prices are competitive. We have put in place a structure of licence fees that will try to encourage the family. While there may be an initial reaction, I really do not think a \$40 permit for a family to fish off and on Canadian waters for an entire season is unreasonable.

I am aware of the fact that Michigan has been putting a lot of work and money into restocking its waters. They have been trying to develop a residential fishery there with salmon and other species. They have been trying to market the

Michigan fishing experience and get people into their tourist facilities.

This increase sort of played into the hands of some, and then they printed that bumper sticker and had a few negative press articles about Ontario in there.

I guess it is up to us to try to show them that we are putting a lot of money into improving the fishery resource and that we are involved in the construction of marina facilities, in stocking programs, in constructing fish hatcheries and in habitat improvement to encourage a better-quality fishing experience in the border water areas.

I hope we can make the case that we are putting a lot of money into it. Three of us, Mr. Bernier, Mr. Baetz and myself, intend to go to all the sportsmen's shows in January and February—not together; separately, of course—

**Mr. Stokes:** I'll bet you don't have a fishing agreement, though.

**Hon. Mr. Pope:** Oh yes, we do. In fact, if Michigan had that kind of fishing agreement now, they would not have the kinds of issues that they have concerning Lake Michigan.

I read an article in the Detroit Free Press the other day, reporting that there was quite an uproar involving the sports fishermen and the commercial fishermen. The restricted commercial fishing they allow on Lake Michigan is being bought out and given to the native people as an attempt after the fact to negotiate an allocation process, after the United States Supreme Court ruled Michigan state law unconstitutional with respect to Indian people.

When you compare that to what Wisconsin did, where they negotiated an Indian fishing agreement and got an allocation process agreed to, and have not had that kind of problem in the same lake since, I think Michigan now wishes it had talked about the Indian fishing agreement some time ago.

**Mr. Laughren:** Might I say, though—

**Mr. Chairman:** There is one supplementary first. Mr. Haggerty wanted to ask a supplementary.

**Mr. Laughren:** When I talked to the minister, he assured me that he wants to be known as the Minister of Northern Affairs.

**Mr. Chairman:** That's supplementary, all right.

**Mr. Laughren:** He's such an ambitious character.

**Mr. Haggerty:** To follow the valid point brought forward by the member from Chatham-Kent (Mr. Watson), and in contrast to the

member for Lake Nipigon (Mr. Stokes), in the matter of giving away our resources, you have to look at the area down around what we call the border towns, where a large number of Americans cross over, particularly where there is an international body of water. In your area it would be Lake St. Clair and the St. Clair River. In my area it is Lake Erie and the Niagara River.

I will tell you, if you keep raising the licence fee, they are not going to be coming over from the American side of the river and fishing on the Canadian side. It has always been a problem.

I am reminded of a story told in that area. One of the conservation authorities was checking on fishing rights in Lake Erie. One day, when they were out on the lake, they were pretty close to the international border. All of a sudden a great ship came along, and a guy with a bullhorn hollered, "Hey, what nationality are you?"

They said, "We're Canadians."

"Well, you're fishing in American waters," the guy hollered back.

"No, we are not fishing in American waters," they said.

"How do you know that?" he said.

"We know by the fish we catch. Anything we catch with a big mouth, we throw back in."

As the minister has indicated, the Americans are doing quite a bit of stocking with game fish on their side. If it had not been for the state of Michigan, we would not be getting salmon in Lake Erie.

I suggest there are areas where you should give consideration to making a one-day licence available. I am thinking particularly of Lake Erie, the Peace Bridge area and perhaps Lake Ontario. They could catch the fish in Lake Ontario, but most of the fish would have to be thrown back as they cannot be eaten because of the contamination from the chemicals they are picking up down there. However, that is another issue.

Consideration should be given to the suggestions made by the member for Chatham-Kent and the member for Windsor-Sandwich (Mr. Wrye) that a day licence should be made available, because many Americans come over for just one day, spend eight or 10 hours here and go back next day. The majority of them, I suppose, are black people who come over from Buffalo; they enjoy fishing the small streams in the early spring, when they can catch the types of fish they want to catch.

There are a great number of Americans who used to come over to that area to fish off the shoreline of Lake Erie. If you keep putting the

licences up the way you are for day use, you are not going to have too many of them around, and tourism is a big factor in the Niagara Peninsula.

8 p.m.

**Hon. Mr. Pope:** Yes, but do they spend tourist dollars, or do they come over to fish and go home?

**Mr. Laughren:** What's wrong with that?

**Hon. Mr. Pope:** We don't get any benefit out of it. We also spend millions of dollars—

**Mr. Haggerty:** They are buying bait, fishing tackle and licences.

**Mr. Lane:** They bring a clean shirt and a \$2 bill, and they don't change either one.

**Mr. Chairman:** Just a minute—

**Mr. Haggerty:** And when they can't catch fish down in my area, they are playing bingo. I tell you, that is a big attraction down there.

Interjections.

**Mr. Chairman:** Are you finished, Mr. Watson?

**Mr. Watson:** No.

**Mr. Chairman:** Is this on the same subject or on a different subject?

**Mr. Watson:** The minister wanted to say something else.

**Hon. Mr. Pope:** I wanted to say that I think you will find there are very few American jurisdictions that have one-day licences. Does Michigan have one?

**Mr. Watson:** Yes, Michigan has one.

**Hon. Mr. Pope:** It would only be Michigan then; I am pretty sure of that. I think you will find the shorter-stay licences priced between Ontario and—

**Mr. Haggerty:** They even travel as far as Dunnville to fish in the Dunnville River.

**Hon. Mr. Pope:** Your guys are from Ohio, aren't they?

**Interjection:** New York.

**Hon. Mr. Pope:** New York state as well?

**Mr. Haggerty:** You are drawing from a million people there.

**Hon. Mr. Pope:** I think you will find that our system is comparable to, if not the same as, those of New York state and Ohio. I can get you the numbers, because we reviewed all of them before we made the final decision, both on kinds of permits and price. There would not be that much of a distinction between the two states. I can get you the numbers for the next session.

We reviewed all of that very carefully. I went over myself to do some taping on fish and game

issues in New York state during the course of a derby that was being held in Watertown, New York, and it cost me \$8 Canadian to register for one day's fishing there as a nonresident. Whether or not I qualified for a three- or four-day permit, I am not sure.

**Mr. Haggerty:** How many miles did you have to travel from the Canadian border?

**Hon. Mr. Pope:** From the Canadian border? I went across the Thousand Islands Bridge from Kingston, and the drive is about 45 minutes or an hour.

**Mr. Haggerty:** From the city of Buffalo and area, you are drawing from about 800,000 or 900,000 people who are only five minutes away.

**Mr. Laughren:** All the more reason to get a good price. I think you should check with Paul Yakabuski about this before you say anything.

**Mr. Watson:** I appreciate that there are two sides to this, and I guess I am more annoyed about the process that went on in our particular area, because it is unique. People compare themselves with home, and Michigan is the one with which they compare. The people who run the charter boats and the fishing camps get their customers from there. I think they are justly annoyed about what has happened.

**Mr. Laughren:** Andy, we have given away all our other resources, and now you want to give this to them.

**Mr. Watson:** I would like to think that our people—

**Mr. Chairman:** Never mind. Direct your questioning to the minister, if you would, please.

**Mr. Watson:** They put a three-week licence in for the benefit of the people of northern Ontario. The minister will deny that, but that is what the people say down our way.

**Mr. Chairman:** Fine. It is not necessary to respond to interjections across the floor.

Before moving on, I understand you still have another subject to cover. We do have a procedural matter that we would like to deal with while Mr. Wrye is here.

**Mr. Wrye:** I do not have a motion per se, Mr. Chairman. For the members who also sat on the committee when we were looking at the Weiler report, could you perhaps give some indication as to whether you have been able to learn the time parameters we are looking at in having our report printed for presentation to the Legislature?

**Mr. Chairman:** If we can go back to Wednesday morning, we thought we had made a decision to sit on Monday night, November 28. We were

asking our House leaders and the House for unanimous consent, but I understand we ran into a bit of a bottleneck because of problems some members encountered.

**Mr. Williams:** Let us get that clear, Mr. Chairman. I would like to find out what the problem was.

**Mr. Wrye:** I thought the member for Nickel Belt (Mr. Laughren) had a problem being here.

**Mr. Chairman:** I understand that the member for Nickel Belt had a problem being here on Monday, although he did not tell us yesterday when we were trying to organize the time. He said, "Yes, I can not make it." I thought you were being facetious, as you often are. I should have realized that sometimes you are truthful—I should not say truthful; I should say serious.

However, when the decision was made, nobody really concerned himself at that time; so I thought we were going to go ahead on that basis. That is the answer, Mr. Williams. It was Mr. Laughren who knows that he could not make it. Therefore, when the House leaders had their meeting there was not going to be unanimous consent, so the motion was not brought forward.

**Mr. Wrye:** My question is, very simply, is there any possibility of having the report printed for presentation to the Legislature before it rises, if it were to rise, as a lot of us in this room expect, on Friday, December 16?

**Mr. Chairman:** I am told by the clerk that it will take approximately two to three weeks; let us say a minimum of two weeks. We are going to have a clear two weeks to get finished with everything and get it back to the clerk for printing.

**Mr. Wrye:** I will not propose a motion, so we can have a general discussion. I want to make a general observation to the committee members who have toiled long and hard—and we have not agreed; that is fine, that is part of this process—that we are getting to the point where we are beginning to damage our own credibility in terms of getting this report to the House. I think we all feel that way.

Given that, may I suggest that we sit Tuesday night next week to complete our deliberations and to review any changes that staff has made to the material as we discussed it yesterday, and that we conclude our discussions briefly on Thursday night? That will give staff two full days to make any changes that may occur in those last, I believe, about 12 pages.

In the meantime, if you want to take it a step further, the first part of the report, which

includes the 21 recommendations and which is now finalized, if I am not mistaken—I do not think there have been any changes—can go immediately, as of tomorrow, to the printers so they can start to set the type on the first part. There is no reason for any further delay on that part of the report.

We would meet Thursday night to conclude pages 62 to 74 or 75, wherever we are, and to review what we did yesterday. We could meet as early as seven o'clock, half an hour early, on Thursday night—because I understand you have ministerial estimates at 7:30—just to review the last 12 pages. My own suspicion is that there will not be many changes in those last 12 pages, but I have been surprised by a lot of things this committee has done.

I think it is absolutely crucial that we get this report tabled in the House before Christmas, not just for injured workers but also for the ministry. The ministry cannot start doing work, nor can the Workers' Compensation Board, until we table our report. Quite seriously, I think we are damaging our own credibility as a committee.

Those are my suggestions. If I hear no objections, I will put those in the form of a motion.

**Mr. Williams:** Just before we—

**Mr. Laughren:** Do we have a speakers' list, Mr. Chairman?

**Mr. Chairman:** Yes. Your name is next.

**8:10 p.m.**

**Mr. Laughren:** I think it is important to trigger our memories a bit here. We tried desperately, almost a year ago, to have this committee sit between sessions to deal with the whole compensation problem. I should not have to remind you that it was the members of the government party—not with this chairman—who said, "No, we will not sit between sessions," and decided that we would deal with it for a couple of weeks in the summer and a couple of weeks in the fall.

Suddenly we are faced with a time problem, am sorry, but my heart does not bleed for you and your scheduling problems. I too want a different compensation system in Ontario. You should stop playing the silly game of saying at one point that we will not be flexible and at the next point, "We will be flexible but it is you who are inflexible." That is total nonsense.

An agreement has been made as to the sitting times of this committee. We want the report on the compensation changes to go forth too. But

remind you whose responsibility it is to decide when the Legislature comes back to deal with legislation; it is not the opposition's, that is for sure. You have decided, in your infinite wisdom, when the House would come back; that is what you have decided. That is not the problem of the opposition. You are now saying to us: "It is your problem because you are not flexible enough. You won't sit extra sessions." You are damned right we will not sit extra sessions.

**Mr. Lane:** Then don't talk out of both sides of your face.

**Mr. Laughren:** I am not.

**Mr. Lane:** Yes, you are. I am getting God-damned tired of listening to you for 12 years.

**Mr. Chairman:** Order, please. Do you want to respond to the suggestion that Mr. Wrye made? Would you like to get on that subject, Mr. Laughren?

Mr. Wrye made a suggestion. Do you have anything else to say, Mr. Laughren, on Mr. Wrye's suggestion? Mr. Wrye made a suggestion; were you not listening to it?

**Mr. Wrye:** I agree with my friend the member for Nickel Belt, because I remember the discussions—

**Mr. Chairman:** Order, please.

**Mr. Wrye:** I will give him the suggestion again.

**Mr. Chairman:** All right. At least do that.

**Mr. Wrye:** I suggested that on Tuesday night we sit and review what we have done, what we did yesterday, and we finish pages 62 to 74, which completes our work.

On Thursday night—I am in your hands, Mr. Chairman—I suggested we could back it up to even o'clock and review pages 62 to 74, with whatever changes the staff has made, and finalize things.

A third suggestion was that the part we have done so far, with the 21 recommendations, should go out immediately, as of tomorrow, to the printers to have the type set.

**Mr. Laughren:** Let me say that I have no problem about dealing with Weiler with dispatch. If that means putting the Ministry of Natural Resources on the back burner, so be it. The Minister of Natural Resources has been known to put a number of issues, such as wetlands and reforestation, on the back burner if it suited his purposes.

It seems to me that we should proceed with Weiler. I said before the Natural Resources estimates started that we should deal with

Weiler first. You, Mr. Chairman, were the one who would not agree to that. You said: "No, we have to do MNR."

I agree with Mr. Wrye that we should finish Weiler before we proceed with the MNR estimates.

**Mr. Williams:** Mr. Chairman, it is in the hands of the committee—

Interjections.

**Mr. Chairman:** Let us hear Mr. Williams out, please.

**Mr. Williams:** It is in the hands of those members of the committee who have been involved with Weiler. Before I make my comments and respond to what is really the burr under Floyd's saddle, I would like to hear from the House leader of the New Democratic Party as to whether he has some constructive comments to make with regard to this.

**Mr. Martel:** I am going to pick up where Floyd left off. I was one who tried to get—

Interjections.

**Mr. Chairman:** Order.

**Mr. Martel:** I have spoken twice, and only twice, on this issue. I was disappointed that the members of the government party would not sit in January, February and March of this year. I could not understand that. It really boggled my mind that you people had gone and set up a committee and then decided you would not sit.

I came before the committee in June and I implored you to schedule more time than you had. I think Mr. Williams was here when I said: "We are not going to get done. It is a complex report and I would urge you to schedule a little more time than to make it so tight." I have been involved in a lot of drafting of reports. There are always problems and you usually cut yourself too thin.

I implored the committee and the members decided to go with an extra week, maybe not because of what I said but they decided in their own wisdom. At that point, I had hoped we would get done.

Mr. Laughren came to me about four weeks ago and said, "I have asked the chairman of the committee to let me read the material ahead of time so that when we get into a discussion I will not be asked to respond, having looked at it for two minutes."

I have been on a lot of these committees. I could not understand the chairman's reluctance to give my colleague the material so he could read it and we all could read it. That bothered me. We should all have it ahead of time. To

come into any committee cold and start to look at a draft is really a waste of time.

I suggested to my colleague that he implore the chairman to give him the material. We should be able to discuss the material in a knowledgeable fashion. You cannot give committee members material at 10 a.m. and start to discuss that material at 10:01.

When the chairman refused, it became obvious to me that, hell, we try to accommodate and to get the work done as expeditiously as possible. Those are my observations with a few years more than anyone here except my friend Bernie Newman.

**Mr. Eakins:** You have had more than 12, with Mr. Laughren.

**Mr. Martel:** Yes, I have had more than 12. Committees work best when they get co-operation. Stonewalling has never helped anyone in any committee.

I heard my colleague say he agreed with Bill Wrye to get it out of the way. In the final analysis, if we start running short of time it is much easier to cut back on a set of estimates than it is on a major report. You get much more sensitivity when you say we need two hours more and you try then—I have always been of the principle that you should have ad hoc committees of any committee—to say okay, none of us will talk on this issue, this issue and this issue. You reach that agreement before you come here and fight. It works a lot better.

If we run out of time for the Ministry of Natural Resources, so what? The world is not going to live or die on whether we spend 20 hours on Natural Resources estimates, but people on compensation just might. I take the priorities and then see what happens. You might find that people will say, "Okay, we will not have enough time, we are running out of time, we have three hours left." People will tighten their questions and forgo things they wanted. Co-operation is 90 per cent of it.

My colleague, who left home Monday of this week, is flying to Chapleau tomorrow because he told the people in Chapleau he would be there. He is having a car driven up to Chapleau so he can come home Sunday night, and you want him to jump down here Sunday. He has not been home for a week.

Maybe you people who live in Toronto find that acceptable, but that out-of-town member is flying to Chapleau tomorrow after being away from home for a week. He is then supposed to—because somebody decides it is a good idea to sit Monday night—come down to Toronto

Monday night. He has been away from home for a week already, but he should be all ecstatic about the wisdom of the committee.

This is a big province. Out-of-town members do not go home every night. If you have been away from home for seven days you really like to get home one day. You have to take all those things into consideration.

I will tell you one thing. When people hard-line it, you are in trouble. It is when there is a sense of co-operation, and most committees can find that accommodation, that you get work done.

**Mr. Chairman:** Mr. Martel, if I can I will respond to a couple of things that affect me as chairman. You have mentioned the fact that I said, and I did say, that the report should not be handed out in advance.

We had co-operation; I think we had 100 per cent all the way through our hearings. We sat down and we certainly did not have agreement on many points—I know what you are talking about—but we had 100 per cent co-operation. That was the one point that I suppose I hung tough on. I felt that if those reports got out of the in-camera session, then if somebody happened to pick up a report, that was my concern.

8:20 p.m.

**Mr. Martel:** You have to trust the people you are working with. They are going to read something that has been prepared by staff. If you find a guy who is going to leak it, then you kick him in the head.

Surely when you are working as a committee—I found that after many years—you can look at a report, you read it and you are ready to discuss it when you come into the meeting. If you try to put a report before any one of us and expect us to discuss what is in that report two minutes later, it is just a waste of time. It really is.

**Mr. Chairman:** Okay, I made that point. The other point was that yesterday morning, had anybody said, "I definitely cannot make it on Monday night"—

**Mr. Laughren:** No, no.

**Mr. Chairman:** We were all here and there was no—

**Mr. Laughren:** I challenge you, Mr. Chairman.

**Mr. Chairman:** I know you mentioned that your colleague Mr. Lupusella said, "Yes, I am okay."

**Mr. Martel:** He lives in Toronto. Mr. Laughren has been away from home for something like eight days.

**Mr. Chairman:** That is right. That is not going to change anything that has happened up to this point.

**Mr. Wrye:** Let us get on with it.

**Mr. Chairman:** Okay, we will go back to Mr. Williams.

Interjections.

**Mr. Laughren:** That is not fundamentally correct. You are wrong.

**Mr. Chairman:** I am not going argue that. You know there is no Hansard to back us up.

**Mr. Laughren:** I did not agree to sit Monday night.

**Mr. Williams:** Mr. Chairman, it is unfortunate that the real aggravation that has been smouldering in the hearts of the members of the third party comes out this late in the day. It is too bad that Floyd Laughren has indicated that for one reason or another—he has not indicated why. He just said that to meet on dates that the committee normally would not sit were not convenient to him. I now have an understanding as to why.

**Mr. Laughren:** Just the other day; the chairman says I did not.

**Mr. Williams:** I listened to you, Mr. Laughren.

**Mr. Chairman:** Let us please hear Mr. Williams out.

**Mr. Williams:** Let us have some reciprocal consideration.

First, I say this to Mr. Martel because he has been around here as long as any of them, I do not think you have to make any apologies about not releasing the material to members of the committee ahead of time. On all the select committees I have ever sat on around here, that has been a practice. The committee reports would not be released to the members—

**Mr. Martel:** Could I clarify something, Mr. Chairman? I do not want Mr. Williams to believe—I am not suggesting we release any information. I am saying that if a bunch of material is handed to you on a Tuesday morning, then you are not in a position to debate it until you have read it carefully. That is all I worried about.

In the committees I have sat on, the member given the material ahead of time, he can read carefully and he is then prepared to talk about it. You have to read the material before you can start to debate it sensibly. That is all I am saying.

**Mr. Williams:** I understand what you are saying. I remind you that this has been a

disadvantage that we as members who have sat on select committees have had to live with, at least since I have been here. We recognize it.

The practice we followed with regard to dealing with this report in camera was precisely the way we have proceeded with all other reports. There is the disadvantage of having to start at page 1 at 10 o'clock in the morning, not having seen it prior thereto. I think the members soon become familiar with the report. The way in which we have proceeded, going on a page-by-page basis, is the traditional practice we have followed to deal with any select committee reports at the report preparation stage in camera.

**Mr. Wrye:** Mr. Chairman, on a point of order: Not entirely. I just want to remind my friend that he and I and other members of the committee took copies of the first draft of the 21 recommendations home with us each night all through July. I did not leave my copy with the clerk on any given evening. I may have left it here on a few evenings when I left my pile of papers here, but there were a few nights I took it back to my office. I think we probably violated even that rule.

**Mr. Williams:** I am not making a big issue of it. I am simply saying what the practice has been in the past and the suggestion that it was cruel and unusual punishment just is not so. We are simply following the practice of select committees at the report preparation stage. Some charges have been made here and I just want to clear the record as far as the Conservative caucus is concerned.

The third party House leader made much to-do about one of the members of the committee who found it a great inconvenience to come down here on a Monday to sit in a regular session of the House to deal with the report. He said the members who lived closer in to Toronto had no appreciation of the great inconvenience the member was being put to.

Mr. Martel, in making those observations, obviously was not looking to the back of the room to Mr. Lane, a member who also represents a riding next door to Mr. Laughren. I will tell you there has not been a member who has been more faithful in attending the meetings of this committee whenever it sat than John Lane. To be here on a Monday morning for a special meeting of the committee, he would come down here Sunday nights after spending the whole day Sunday in his constituency, when he could normally come on a Monday morning. He has never made one complaint about the inconveniences he has been put to.

I suggest there are other members of the Conservative caucus as well as the other official opposition caucus who have been put to a lot of inconvenience. Do not set your member up on a white horse in shining armour as if there is something special to be recognized in the way of a medal of merit or something because we are asking for an accommodation to be made.

I think we are all subject to these things and I think there has been a spirit of co-operation with the members of this committee throughout.

**Mr. Martel:** Whoa. You are the people who decided not to sit in January, February and March.

**Mr. Williams:** I have one further remark I want to make, Mr. Chairman.

**Mr. Stokes:** Mr. Chairman, on a point of order: I want to start by way of a question to you, sir, and ask you if the time allocated for the discussion of the estimates of the Ministry of Natural Resources is being ticked off now so you can discuss a procedural question that deals specifically with the Weiler report?

**Mr. Chairman:** Yes, the clock is still running.

**Mr. Martel:** On a point of order, Mr. Chairman: Let me suggest to you that there are those of us who have recommended, and it worked well during minority government, that you should have a steering committee to make these decisions ahead of time. You guys have been the people opposed to steering committees. You would not waste the time of any committee screwing around like you are doing tonight.

**Mr. Stokes:** What has that got to do with my point of order?

**Mr. Martel:** Your point of order is that you would come here with an agreement among all three caucuses as to when you would do these things and you would not take the time of the committee debating useless crap.

**Mr. Chairman:** I am not going to respond to that. I would like to, but I am not going to.

**Mr. Martel:** Bud Gregory is the guy who has opposed it.

**Mr. Chairman:** Mr. Stokes had a point of order. He asked me a question and I answered it.

**Mr. Stokes:** I want you to rule as chairman as to whether or not we should be wasting the time of members of this House who came here to discuss the estimates of the Ministry of Natural Resources with the minister and his deputy present, whether or not you think it is fair that you should summon us, through the Office of

the Clerk, to attend a meeting at 7:30 to discuss the estimates and we should end up spending the last 30 minutes on something that is procedural, something that has nothing at all to do with the reason why this committee was convened. It deals with another matter altogether.

Personally, and I know I do not have the unanimity of even members of my own caucus—

**Mr. Nixon:** I would not say that.

**Mr. Stokes:** —but I want you to rule as to whether or not you think it is appropriate that we should be discussing that particular problem at this time.

**Mr. Martel:** May I make a suggestion?

**Mr. Chairman:** I will answer Mr. Stokes first. Mr. Stokes asked me a question.

We had an agreement—not an agreement; we had a discussion among the three caucuses, Mr. Wrye, Mr. Laughren and myself. We were going to deal with this briefly. We thought we were going to get into it. However, we got off on what has happened in the past. Perhaps I should have ruled that part of it out of order.

We have a future to worry about in this committee and we want to get on to it as quickly as possible. I think it should be able to be wrapped up in a very few minutes.

**8:30 p.m.**

**Mr. Martel:** May I make a suggestion to you?

**Mr. Chairman:** Yes.

**Mr. Martel:** Why do you not strike an ad hoc committee, a steering committee, with a member from each party? The Tories will eventually carry it by vote, if need be. You could see if the three committee members, one from each party, and yourself, could work out a timetable for your work. Not here, but the four of you could sit down together, with you as chairman and one member from each caucus, and work out a timetable for the committee, considering all the estimates and the work it has before it. Then test your committee as a whole.

If it comes to a vote, you can force it. Rather than waste the time of the committee, why do you not strike a steering committee for the resources committee? I will tell you, you will find it works a hell of a lot better than this nonsense.

**Mr. Chairman:** Thank you for the suggestion. If Mr. Williams can get on to the point we are discussing of time, this immediate problem we have, then I think we can go ahead in a very few minutes.

**Mr. Williams:** There is another point I wanted to set straight for the record.

**Mr. Wrye:** I am sorry, but I have the floor. I want to get the point on the record. A point of order.

**Mr. Chairman:** Point of order, Mr. Wrye.

**Mr. Wrye:** I guess I make the same point of order. I have a certain amount of sympathy for what my friend from Lake Nipigon is saying. I made a suggestion. I thought we could move very quickly on it. If we cannot, I am prepared to simply suggest that this committee decide it cannot do its work and then we could ask for leave to sit for three days in January and finish up discussing the Weiler report.

This is really a bit of an insult to the minister, who wants to be forthcoming, I am sure, to the members, and particularly to the critics who are here and want to ask questions and see if we can talk the minister. Either we can or cannot get on with it.

**Mr. Williams:** That is not a point of order.

**Mr. Chairman:** It is another motion, really, and we have a suggestion on the floor. Mr. Williams, continue please.

**Mr. Williams:** I have three points to make.

**Mr. Chairman:** Very briefly please.

**Mr. Williams:** First, Mr. Martel suggested that the committee was not prepared and did not sit, notwithstanding the suggestions, through last February and March. In fact, we sat in February. We sat from April 26 to June 22 last year.

**Mr. Laughren:** The House did.

**Mr. Williams:** No, the committee did. The committee sat from April 26 through to June 22.

**Mr. Chairman:** Okay, that clears that up.

**Mr. Williams:** All right? I want to set the record straight there.

The other point I want to set straight is this. From the day this committee started sitting back in 1982, we, along with the minister, have made it clear on more than one occasion that we wanted to see that report tabled by the fall of 1983. We, as a government caucus, had indicated we were going to meet the wishes of the minister and that we would do everything to accommodate that situation.

To suggest that the government members have been stonewalling is totally untrue. We are prepared to make any accommodation to complete the hearings next week, as suggested by Mr. Wrye.

**Mr. Martel:** Would Mr. Williams indicate to me when they sat in January, February or March to consider this report?

**Mr. Williams:** I just told you. The committee sat on February 17, 1983.

**Mr. Martel:** And you decided not to sit—

**Mr. Williams:** And we sat from April 26 to June 22, 1983.

**Mr. Martel:** That was in conjunction with the House. Do not play games.

**Mr. Williams:** If you want to pull out the transcripts—

**Mr. Martel:** That is why you cannot get any co-operation.

**Mr. Chairman:** Order, order.

**Mr. Williams:** It is a matter of fact. Look at the transcripts.

**Mr. Chairman:** Order, please. Mr. Williams wanted to correct the record. I think he did it for you.

**Mr. Williams:** On the suggestion relating to sitting next week, if the minister and the House leaders are prepared to forgo the estimates and prioritize the completion of the work of the committee as it relates to the Weiler report, if that is the only way it can be accomplished, then, of course, the government members stand ready to participate in those discussions so that we can finalize the report by next week.

**Mr. Laughren:** Are we on the same point of order?

**Mr. Williams:** It is not a point of order.

**Mr. Chairman:** We are back on Mr. Wrye's suggestion.

**Mr. Williams:** As I understand it, Mr. Wrye has suggested that we meet on Tuesday next week, the regular sitting date, and on what following dates?

**Mr. Chairman:** Mr. Wrye moves that we will review what we did yesterday and complete our preliminary deliberations on the remainder of the main report. On Thursday of next week, we will review any changes in the remainder of the report. Of course, we will have to ask for permission from the House leaders to do that. The third part is to instruct the clerk to make arrangements to have the first part of the report, which is finalized up to and including the 21 recommendations, go to the printer immediately, tomorrow.

That is the motion on the floor. We will deal next Tuesday and Thursday with the Weiler

report. We will have to talk about Mr. Pope in a couple of minutes. That is one point.

The second point is that part I of the report go to the printers immediately. We have already done that.

**Mr. Williams:** We recommended some changes yesterday that we have not seen.

**Mr. Wrye:** Not in part I. Part I is final.

**Mr. Williams:** I think there were a couple of—

**Mr. Chairman:** I think it was finalized.

**Mr. Wrye:** There were no more changes yesterday, John.

**Mr. Williams:** I think there was one page.

**Mr. Chairman:** Did we make any changes in the first draft?

**Mr. Lane:** Just let the record show that I have not been able to get on the record, even though the third party have been on for half the time since we came here.

**Mr. Laughren:** Right, I support John's attempt to get on the floor. I agree. I am with John Lane.

**Mr. Lane:** You are not with me because we are on different sides of the fence.

**Mr. Laughren:** No, I agree with you, John.

**Mr. Chairman:** Order. There was another part to your motion, Mr. Wrye.

**Mr. Wrye:** Three parts. You have dealt with them: Tuesday; Thursday; and then the third part, the report, to the end of the 21 recommendations, to be sent out to the printers immediately.

**Mr. Chairman:** Okay. There is the motion.

**Mr. Williams:** To be part of the final report, as printed. You are not suggesting it be separated, two separate reports?

**Mr. Wrye:** No, we are sending that first part, so they can start setting it up.

**Mr. Chairman:** Is that agreeable? Is there anyone who does not understand the motion?

**Mr. Laughren:** Could you read it again, please?

**Mr. Chairman:** We are going to sit next Tuesday and Thursday night. We are going to cancel estimates for next Tuesday and Thursday nights. Then we are going to send the first part of the report to the printers. All those in favour, who are eligible to vote—if there is anybody here who is eligible to vote.

Opposed, if any?

Motion agreed to.

**Mr. Chairman:** There was unanimous agreement to that motion—of those who were eligible

to vote. Now, what we have done is put ourselves in a position of cutting—

Interjection.

**Mr. Lane:** You talk out of both sides of your mouth all the time.

**Mr. Chairman:** We have put ourselves in a position—

**Mr. Laughren:** I am on your side.

**Mr. Chairman:** Order.

**Mr. Lane:** For 12 years you have talked out of both sides of your mouth.

**Mr. Chairman:** Order.

**Mr. Lane:** You are supposed to be friends of injured workers, but you do not want the report to get tabled.

**Mr. Chairman:** Order. We have put ourselves in a position of taking time out—

**Mr. Lane:** The chair will not let me get into the discussion and people who are not even on the committee get into it.

**Mr. Chairman:** Order, please.

We have put ourselves in a position of having cut two days, six hours off the minister's estimates. The minister is available only up until December 3. This means we will sit on Wednesday, November 30, which we would have anyway. I think the evening of Thursday, December 1, was to be the beginning of Municipal Affairs and Housing. My suggestion is that whatever number of hours we still have on Natural Resources, we should finish on December 1, regardless of how many hours there are.

**Mr. Laughren:** No. I have a question, Mr. Chairman.

**Mr. Chairman:** Do I have the wrong dates there? December 1 we are not going to be sitting with Natural Resources. November 29 and December 1 we will be on the Weiler report, as of agreement of a few minutes ago.

**Mr. Laughren:** A point of information: Are you suggesting that on Tuesday night and Wednesday morning we deal with Weiler?

**Mr. Chairman:** No, I did not say that.

**Mr. Laughren:** Tuesday night and Thursday night. Okay, I have no problem with that, except that that leaves only Wednesday—

**Mr. Chairman:** Only Wednesday, November 30.

**Mr. Laughren:** And how many hours will be left by then?

8:40 p.m.

**Hon. Mr. Pope:** There will be six and a half hours.

**Mr. Chairman:** Six and a half hours, and we will clear off three hours that day. Is that right? We will be three hours short, approximately.

**Mr. Stokes:** I really object to that. I think we should try to co-operate with those members of the assembly who have some responsibility for dealing with the Weiler report, but it should not be at the expense of one of the most important ministries in this government, the Ministry of Natural Resources.

**Mr. Chairman:** Well, the motion has been carried. Can we—

**Mr. Stokes:** You cannot just automatically wipe out six hours of estimates' time.

**Mr. Chairman:** I know we cannot. No. I am trying to get some concession. We have gone to the point now; we have extended ourselves to try to put in the Weiler report. Please try and be helpful.

**Mr. Wrye:** The minister apparently is not available after December 3. May I suggest—I know we have already carried the vote, but I think my friend, Mr. Stokes, makes a good point. Rather than sit Thursday night for just the last part of the report—and quite frankly the printers cannot set the whole thing at one time—could we leave the Weiler report until the following Tuesday?

That would give you Thursday night for MNR estimates. It would cut some time from MNR—I do not know whether that is acceptable. I am not a member of the committee so I am not going to argue either way—and some time from the estimates of Ministry of Municipal Affairs and Housing. Thus we would finish the last part of Weiler on Tuesday, December 6.

**Mr. Williams:** The chairman said it was going to take them the full two weeks to—

**Mr. Wrye:** No. My point is that they cannot set the type for everything at one time, Mr. Williams. We can finalize the last 12 pages on Tuesday, December 12. By and large, the largest part of the report will have gone to the printer for setting. It is just a matter of us getting that last part done; reviewing whatever changes the staff makes.

**Mr. Martel:** Mr. Chairman, why do you not follow my suggestion? Get on with the business for tonight and strike a steering committee. Tomorrow morning you guys can meet the chairman and one member from each caucus can work out a timetable with the minister.

Work out what you want to get done, and then go.

You can sit Wednesdays by motion in the House. Three committees can sit Wednesday afternoon, which would accommodate the minister. We would agree to that sort of thing—

**Mr. Williams:** We are within an ace of getting that settled right here and now.

**Mr. Martel:** You might think you are but when the chairman says he is going to cut six hours out, nobody is going to agree to it.

**Mr. Williams:** He is showing amazing co-operation.

**Hon. Mr. Pope:** One of the things I suggested was that we could sit next Wednesday from nine to 12 o'clock and from one to four o'clock. We would not lose any hours off the estimates.

**Mr. Chairman:** The motion that you put on the floor is okay. There is no problem.

**Hon. Mr. Pope:** So you still have Tuesday and Thursday nights.

**Mr. Chairman:** The minister is willing to sit next Wednesday, November 30, in the morning and afternoon. Is there any objection to sitting extra hours on Wednesday, November 30, to hear the rest of these estimates? Mr. Laughren?

**Mr. Laughren:** You will be happy to know that I do not have any objections except that I would prefer that we sit right through.

**Mr. Chairman:** Well, whatever hours we require on the November 30.

**Hon. Mr. Pope:** Nine o'clock to three o'clock?

**Mr. Williams:** Yes. Can we agree to get House permission for that?

**Mr. Chairman:** Can I ask for a motion so we know where we stand on this?

**Mr. Williams:** The motion is revised to relate to this.

**Mr. Wrye:** The motion is that we request the House to give us permission to sit to consider the Weiler report—

**Mr. Chairman:** That is carried.

**Mr. Wrye:** That the committee sit from 10 to three or nine to three on Wednesday, November 30, to finish the estimates of the Ministry of Natural Resources.

**Mr. Laughren:** Could the record show that we are co-operative to a fault?

**Mr. Chairman:** I do not know; we have not carried the vote yet.

Motion agreed to.

**Mr. Chairman:** Thank you for your co-operation and your advice all through the estimates. Now we are moving on once again. Would the minister come back to his seat, please? Mr. Watson still has the floor and we are on vote 2501. There has been enough damage for tonight.

We do seem to be wandering back and forth. If it is the desire of the committee, we will continue on the first vote, hearing—

**Mr. Watson:** I have only one other area that I want to cover. In general terms, it is the money that you have to approve. I am thinking in particular of the Darcy McKeough floodway project. Is that going to be a fait accompli by next year?

**Mr. Stokes:** Is that conservation authorities?

**Mr. Chairman:** We are on vote 2501.

**Mr. Stokes:** That is right. We talked about fish for 30 minutes and then about procedural motions for another 40 minutes. Neither one of them had to do with the first item in the votes. Is this money being allocated through the conservation authority?

**Hon. Mr. Pope:** Not exactly. And the answer to Mr. Watson's question is yes.

**Mr. Watson:** In the light of the objections I am going to incur, I want to find out whether I can get the money—if the money is finished for there—for something else in my area next year? Is the answer to that yes, too? Then we can get on.

**Hon. Mr. Pope:** No.

**Mr. Chairman:** Mr. Miller is the next speaker on the list. This list is being carried forward from Tuesday night.

**Mr. G. I. Miller:** Thank you, Mr. Chairman. We are on the first vote, are we not?

**Mr. Chairman:** On vote 2501.

**Hon. Mr. Pope:** We are talking about my salary. This is where we were last year for 10 hours.

**Mr. Stokes:** The ministry administration program—

**Mr. Chairman:** We will come back because we did wander from that first vote. Had it started before I was in the chair tonight? I was missed Tuesday night.

Oh vote 2501, ministry administration program:

**Mr. G. I. Miller:** I would like to clarify—I do not know if this is relevant or not, but after the windup of Julian Reed's opening remarks the

other night, I asked a question on the safety factor of the slag used at the Port Dover Marina.

I asked the Minister of the Environment (Mr. Brandt) the same question in the House today. It is an important issue and I want the minister to be aware of it. Is it going to do any harm to the fishing industry and so on in Lake Erie? I think they are putting 140,000 tons into the lake. The fishermen are worried. Has the minister been able to review it, to assure those fishermen that the fish are not going to be harmed?

**Hon. Mr. Pope:** You raised it in the House today and I took note of the question at the time. We should be able to address that issue—because it is more of a current one—when we next meet.

The Minister of the Environment indicated in the House today that they had been monitoring it. If a monitoring team is there from the Ministry of the Environment, I would suspect the MNR has personnel involved in the monitoring team. If it is a water quality monitoring team, MNR would more than likely have a person as part of that team, because that is the normal arrangement.

I think I heard the Minister of the Environment indicate that they had an air pollution monitoring system and that they were just starting to get into the water monitoring. I am going to have to get clarification as to whether or not there is a team monitoring the quality of the water there, and if we are part of it.

If we are part of it, we would be studying the aquatic plant life as well as the fish resource, in particular any spawning beds in the neighbourhood that could be silted over, which therefore could affect the natural spawn the following year if there is no remedial action.

I think I would have to find out for you whether the team is in place and who is on it.

**Mr. G. I. Miller:** I would appreciate that. You will report back next Wednesday then?

**Hon. Mr. Pope:** Yes.

**Mr. G. I. Miller:** Fine. I think that is the extent of my questions at present.

**Mr. Chairman:** Thank you, Mr. Miller. The next speaker is Mr. Stokes.

8:50 p.m.

**Mr. Stokes:** I have two very important issues which deal with policy. One has to do with personnel, and the other is associated with that, your field administration. You are asking for \$1.5 million for personnel services and just in excess of \$30 million for field administration.

Another issue I want to talk about is research

and the policy decisions dealing with research, which are a very integral part of the administration of this ministry.

I want go back and ask a question which I asked several years ago, about the number of foresters in the employ of this ministry and how many of those are actually in the field doing the kind of work they were hired to do.

How many foresters do you have on staff? How many are out in the field actually doing forestry work, and how many are pushing paper like the deputy is doing right now?

**Interjection:** Cheap shot.

**Hon. Mr. Pope:** How do you define forestry work?

**Mr. Stokes:** Those actually out, making sure that they are monitoring, auditing and doing forestry work as opposed to administrative work.

**Hon. Mr. Pope:** Are these just foresters, or forest technicians?

**Mr. Stokes:** Foresters first. We will get to the technicians later.

**Hon. Mr. Pope:** We have 210 staff who have a forestry degree and are working within the forest management program at the unit, district, region, research station or main office level.

We have two to three times this number of forest technicians employed within the program.

**Mr. Stokes:** So you have 630 technicians? And you have 210 foresters actually out in the field?

**Hon. Mr. Pope:** That is 500 to 550 forest technicians in the field.

**Mr. Stokes:** All right, 500 to 550. All right, how many have you hired as foresters who are now doing work other than forestry work?

**Hon. Mr. Pope:** We have that—

**Mr. Stokes:** All right. Perhaps you can get that and give it to me later on.

I am raising this matter because the minister, the deputy minister, everybody in the forestry branch, everybody in the timber branch, every professional forester in Ontario, whether in the employ of the ministry or industry or associated with the academic community, all are saying that we must apply ourselves. We must not only catch up on the backlog of neglect of the last 40 to 50 years but, if we are going to make the forest management agreements relevant, meaningful, productive and get us out of the hole we are in, we must also have people who know what they are doing out in the field.

There were 72 foresters who graduated from

Lakehead University forestry school in June. I talked to the faculty there about two months ago. I found that of the 72 who graduated only six of them are working. I tried to get the same statistics from Dean Nordin at the forestry faculty at the University of Toronto across the street here. He could not give me precise figures, but he said most of those who graduated are either unsuccessful in getting employment or are now doing post-graduate work in forestry.

When we talked to people in the ministry, some of those who travelled around with us on our task force, we were asking, "How many foresters are you recruiting now to give effect to the forest management agreements?" They said: "Really not very many. As a matter of fact, we have orders to cut back to a complement of six in all disciplines within each district for the next fiscal year." Some of them are foresters, some are technicians, some are fish and wildlife biologists and maybe some are fire management specialists. The fact remains that I am told the orders have gone out to reduce the complement in each district.

Your people in the field who are specifically charged with the responsibility for forests are saying: "Now that we have transferred the responsibility for forest management over to the companies by way of these forest management agreements," which still cover only 37 per cent of the forested area in Ontario, "we are going to be only an auditing and a monitoring function with regard to the implementation and enforcement of the forest management agreements, so we really do not need that many foresters or technicians. That now is going to be the responsibility of the industry through these forest management agreements, and our function in large measure will be one of auditing and monitoring."

We said, "All right, fine and dandy." I talked to the industry, to people at Iroquois Falls, at Kapuskasing and in north central and north-western Ontario and they said: "We have enough foresters. We are going to be able to do just fine, thank you very much."

Why are we training all of these foresters, spending good taxpayers' dollars, when your people are saying they do not need any more foresters and the industry says it does not need any more foresters; yet there is not a forester in the business who does not admit he has far too great an area to cover?

You know the statistics even better than I do, and I could quote them to you. In the United States generally they have one forester for every

50,000 acres. In Ontario we have one forester for every one million acres. I am not going to mention any names for fear I might put their future in jeopardy, but the minister and his deputy know the imposition they are putting on those foresters, whether in the areas where they have already signed a forest management agreement, which is 37 per cent of the licensed area, or in the 63 per cent where they do not even have a forest management agreement yet. I hope they will get one by 1985 in all of the licensed areas.

You also have the crown management units. I suspect your resources, both financial and human, are going to be spread so thin you will not even be able to monitor or audit what is going on with regard to the forest management agreements you have signed. The crown management units are going to get short shrift, and you are not even going to have the personnel, let alone the dollars, to carry out the kind of objectives you talk about in the House, that the deputy minister talks about in Sault Ste. Marie and your chief forester talks about wherever he goes. How do you think you are even going to come close to meeting your management objectives over the next 10 to 20 years?

My colleague the member for Nickel Belt (Mr. Laughren) and I, along with a researcher, visited Algonquin Park and the Algonquin Forestry Authority. They are self-sustaining in terms of the dollars they generate because of their management practices and the selling of various species of timber. They do not come to you people for any money. They come for some upfront money to carry them over, but that thing has to be self-sustaining and it is self-sustaining for all practical purposes.

In Algonquin Park there is an area of 3,000 square miles where they manage a tolerant hardwood forest in the west end and pine and other coniferous values in the east end. They do one heck of a good job, and do you know why? They have seven full-time professional foresters whom they pay for themselves out of the proceeds they garner from the management of that resource.

How do you think you are going to come close to meeting the objectives you have set for yourselves, the sustaining of the level of the allowable cut you have told the industry it must live up to now and what it will be five years from the time the companies signed the agreement until you take the first audit? Whatever are you thinking of?

I do not sit in on cabinet meetings to find out

just how tough you are in saying to your cabinet colleagues how many dollars you have to have to hire the human resources to give effect to the forest management agreements, let alone the dollars you are going to need to pay for the services and all the nursery stock and to provide access in order to manage these areas that are under these forest management agreements. How do you ever hope to do that?

**Hon. Mr. Pope:** The whole area of manpower has been the subject of much comment and disagreement over the past couple of years. You yourself raised the point in last year's estimates.

In its forest sector strategy report the federal government claimed there was an impending shortage of foresters and everyone took great countenance. There are all sorts of articles in the newspapers decrying the impending shortage of foresters in Canada.

**Mr. Stokes:** I do not want to know what the federal government said. I want to know what you are going to say, because it is worse this year than it was last year.

**Hon. Mr. Pope:** They called for the training and graduation of an additional 8,000 foresters plus 1,500 forest scientists over the next 10 years because of the impending shortage.

**Mr. Eakins:** What do you mean by a forester? Is that a university graduate?

**Hon. Mr. Pope:** Yes.

**Mr. Eakins:** Not a community college graduate?

**Hon. Mr. Pope:** Not a forest technician, no. Everyone is quite fond of quoting from federal reports on a Canada-wide basis when they want to discuss Ontario's reforestation issues. There is one report that indicates we are going to need all these additional foresters.

Our own report says there is an oversupply of foresters and technicians and that is going to continue through the 1980s. Our own studies have been done through the universities and that is our feeling with respect to industry need. I think the kind of situation you are talking about is a serious one and is going to continue for the rest of the decade. There is going to be oversupply and it is going to lead to some problems with respect to graduates of the forestry schools finding employment in the Ontario forest industry. There is no getting around that problem.

Not every company has the same reaction to the forest management agreements. Some companies employ more forest technicians and some employ more foresters. In last year's estimates, if you recall, we had a discussion on

Abitibi-Price's reaction to the forest management agreement being signed on the Iroquois Falls forest. The information we gave you at last year's estimates was that they employed seven additional foresters as a result of the forest management agreement.

You are quite right. Other companies in other forest management agreement areas have a different reaction and different numbers. Whether that relates to their perception of the utilization they are making of foresters on their staff and their existing operations without the FMAs or what their private perceptions are, it is of concern to everyone, including the forestry schools.

There is no doubt that we think foresters have an increasing responsibility, and not just a monitoring one. Through satellite imagery we can monitor actual cuts every 18 days. We do not need a forester to go out and cruise that area. We can actually map out province-wide every 18 days what timber has been cut by every company in the province.

With respect to regeneration and growth, we can actually get a stem count on an acre basis through infrared photography. It gives us both the age and species to some degree. Those kinds of technologies are coming into place. That does not mean foresters are less important. It means they are even more important and will be put to some of the specific regeneration issues that industry and government have to face together.

Their knowledge and their experience will be even more important than it was before. Instead of going out in cruise teams and trying to monitor and be policemen of the harvesting activities, they will have that information available to them through scans and computer printouts.

The information I have is that the Algonquin Forestry Authority staff includes six foresters and five forest technicians.

**Mr. Stokes:** They told me seven.

**Hon. Mr. Pope:** Among Ministry of Natural Resources staff, as I have told you, we have 210 foresters and 550 forest technicians. If you look at the Algonquin Forestry Authority harvest area, it is 1.4 million acres. Province-wide in productive forest land, we have 105 million acres. If you proportioned it to the two items with respect to AFA and MNR, you will find the proportions are exactly the same—1.4 per cent.

**Mr. Stokes:** No.

**Hon. Mr. Pope:** The proportion of foresters and technicians to productive harvest area is the same.

**Mr. Stokes:** Do not hand me that gobbledygook. You say that only about 43 per cent of those 105 million acres can be termed merchantable forest, so cut it in less than half.

**Hon. Mr. Pope:** Okay. Then we even have a greater proportion of MNR staff to the AFA area.

**Mr. Stokes:** No. You know yourself that most of the people you are talking about whom you say are out managing the forests—and I could quote you the names—are not out in the forest. They are putting out fires from letters that I write and that you have to get answered. They are not actually out managing the forest.

Let me quote what Mr. Foster's professional association says. "Ontario needs more foresters," says the president of the Ontario Professional Foresters' Association."

**Hon. Mr. Pope:** Surprising.

**Mr. Stokes:** This is from Mike Innes, past president of the Ontario Professional Foresters' Association in the OPFA newsletter. He is also vice-president in charge of woodlands for Abitibi-Price. He says: "A need for more intensive forest management and practices to produce a better yield from the land necessitates better qualified foresters and, preferably, foresters who are licensed as professionals."

"Interviewed during a brief break in their meeting last year, Mike Innes explained the stage has been reached when greater input in terms of quality of professionals managing the forests of Ontario is required. Quoting statistics which indicate that southeastern parts of the United States, including Georgia, boast one forester per 50,000 acres of land, Mr. Innes said Ontario has one forester for every one million acres of land.

"He said such legislation"—and he is talking about allowing them to sort of self-govern—"would give the profession the authority it needs to ensure compliance with its code of ethics and standards of forestry practices."

When you get somebody who speaks for all the professional foresters in the province, whether in your ministry, industry or the academic community, when you get one of the most reputable foresters in the industry, the vice-president of Abitibi-Price, saying those kinds of things, are you telling me that he and all of the people he presumes to speak for are all wet?

**Hon. Mr. Pope:** I think we have some pretty competent and dedicated professional foresters working for us who are involved in the forest resource sector of the Ministry of Natural Resources.

**Mr. Stokes:** I agree.

**Hon. Mr. Pope:** They make decisions on what manpower is required to properly manage the forests for Ontario and I respect their advice. I am not surprised the president of the professional foresters' association thinks there should be more foresters in the province.

**Mr. Stokes:** Do you not think so?

**Hon. Mr. Pope:** Sure, if they can get employment in the private sector, if they can get employment through the various industries we think are going to be establishing in Ontario because of the available wood.

**Mr. Laughren:** Or the Ministry of Natural Resources.

**Hon. Mr. Pope:** By the way, I am not surprised either that the forest companies think that they should have more wood and I do not think you are. I have never seen a forest products company that had enough wood or would admit it had enough wood, even though the forest management agreement surveys show massive surpluses of mature and overmature timber. I am not surprised at that either.

**Mr. Martel:** Those are all confidential figures.

**Hon. Mr. Pope:** No, they are not. I beg your pardon. They are available, they are public information and everyone in the FMA areas knows all about it. They have gone in and seen the inventories. They have seen the surpluses, and now the argument is about the allocation of those surpluses. Do not give me any of that bunk. If you did your work in the field, you would not have that problem.

**Mr. Martel:** You can point your finger all you want. Tell me it was not confidential then.

Interjections.

**Mr. Chairman:** Order. The minister is trying to respond to Mr. Stokes's question. He has the floor.

**Mr. Martel:** Do not give me your crap about confidentiality then.

**Hon. Mr. Pope:** You are the only one full of crap.

**Mr. Martel:** You are the one who runs around saying, "This is confidential."

**Hon. Mr. Pope:** I have just cancelled Wanapitei.

**Mr. Martel:** You want it both ways.

**Mr. Stokes:** Just to answer your question specifically, since you brought it up and it was extraneous, here is something in the same document I was quoting from earlier; the OPFA newsletter.

Sandra Lewis of CBC news asked Charles Carter, who is president and chief executive officer of Great Lakes Forest Products, the largest forest company in northern Ontario, with 25,000 square miles of licensed area and a memorandum of agreement for another 19,000 square miles, if his company was running short. "No," he said, "as far as my company is concerned we are not running out of trees. We can continue the operation in perpetuity." This was notwithstanding what his vice-president said. Who are you going to believe?

**Mr. Laughren:** Good question.

**Mr. Stokes:** Mo McKay is crying. He is at your doorstep.

**Hon. Mr. Pope:** Being a politician, I do not believe anybody.

**Mr. Stokes:** He is down there continually with the head of your timber sales. They are knocking at your door. Here you have the president of the company saying, "We have all kinds of it in perpetuity."

**Hon. Mr. Pope:** Remember the parks discussion?

**Mr. Stokes:** Yes.

**Mr. Martel:** It was confidential.

**Mr. Stokes:** Are you trying to get enough dollars so you can hire the requisite number of foresters to give effect to your forest management agreements and to meet the kind of targets you have set for yourself from now until 1990 and the year 2020?

**Hon. Mr. Pope:** I think we have in place budgetary commitments to meet the needs of this ministry and its obligations under forest management agreements announced by my predecessors and me. Those funds will be allocated within the ministry and within the context of the forest management agreements as we undertake the kind of regeneration work we are committed to in the best possible way.

If in the judgement of our professional foresters that requires the employment of additional staff, then those are the kind of decisions we will be making. But we also believe many companies involved in forest management agreements have employed additional forest technicians and additional foresters.

I am not saying one company or another company—

**Mr. Martel:** No.

**Hon. Mr. Pope:** Well, I am sorry. You are saying no; I told you last year in the estimates that Abitibi-Price had employed seven more foresters because of the forest management agreements it had signed before that fiscal year. I do not know if you asked whether that company was going to employ more foresters in the coming years—

**Mr. Stokes:** Believe me, I did.

**Hon. Mr. Pope:** —but the fact of the matter is that the forest management agreement led the company to employ seven more foresters in 1980-81. I am not denying the statement you made that some other companies may react in a different way and may feel there is no obligation arising from the forest management agreement or from their obligations under it to translate that into additional staff.

**Mr. Stokes:** All right. As the minister presiding over our forests, do you see your forestry staff acting in the role of monitors and auditors rather than as managers of the forest?

**Hon. Mr. Pope:** No. I think monitoring and auditing can be done by remote sensing and other new techniques now available. We are progressing into that; we have put a lot of money into remote sensing.

During my Weyerhaeuser lecture, which I gave in 1982, I indicated that was the direction we were going; there was no secret about it. The maps and the examples were up on the walls of the theatre when I gave that lecture. That is the way we are going.

Because the monitoring and policing can be done through these other devices—through the use of computer data and software programs which will allow us to print out—some of the foresters' present monitoring and policing activities will be removed. They will then have more time to get into some of these other issues that you think are more important, or at least equally important. We think we will be making more efficient use of the foresters we have.

**Mr. Stokes:** All right. I do not want to pursue this and pre-empt other members from getting on this, but I want to ask you what your perception is of what will happen to the areas of responsibility. Prior to 1961-62, regeneration and silviculture treatment were historically the responsibility of the Department of Lands and

Forests. From 1962 until 1978—was that the year of the first forest management agreement?

**Hon. Mr. Pope:** The year was 1979.

**Mr. Stokes:** In 1979. Until then it was the responsibility of your ministry and your predecessor. Since then you have been dedicating all of your energies, efforts, propaganda and everything else to making these forest management agreements work.

What is going to be the result over the next three years in terms of the 67 per cent of the licensed areas not under our forest management agreements? Because they are not under the agreements, they are not likely to get the kinds of dollars you are talking about—\$102 million in this fiscal year; \$40 million expressly for forest management agreements.

What is going to happen to the 67 per cent of the licensed areas not yet under our forest management agreements and all the others not covered by a licence, including the common management units? Are you fearful they are going to fall by the wayside unless you get the \$250 million a year you think is necessary to give effect to your 20-year plan?

9:20 p.m.

**Hon. Mr. Pope:** As I recall the numbers, we are now at 37 per cent in terms of existing forest management agreements. We indicated that by the end of 1984 we want to be at 50 per cent. We believe we have the capital commitment now in place to do that; will not deny it has been a struggle, but we do believe we have the funds allocated to do that. Our goal by 1985 is 70 per cent, and we believe we can meet that as well.

That is just forest management agreement funding, which is a separate item from the entire forest management budget. I think our entire forest management budget, including forest protection, is \$165 million. Part of that is FMA funding. The part that is not FMA funding goes into the crown management units for reforestation work.

However, we are getting additional funds and transferring funds that were formerly committed to the crown management units into the FMA areas, thus maintaining enough money in our crown management unit budgets for the 30 per cent that will remain by 1985.

The net effect is that we are going to increase our total expenditures on forest management, and they will be in the neighbourhood of the goal we set for ourselves. As I say, we do believe we have the funding commitments in place right now to get FMAs into place to bring us up to 50

per cent in 1984, and we do have priorities to put in place to bring it up to 70 per cent in 1985. With that in place, I think we are going to meet the kinds of targets that you have indicated should be met.

**Mr. Stokes:** Including the crown management units?

**Hon. Mr. Pope:** Yes.

**Mr. Stokes:** Independent of any FMAs?

**Hon. Mr. Pope:** What we have been doing, what we have been urging on some of the nonintegrated and smaller operators and what I indicated in a number of speeches I have made in the past few years is that we do not want to limit ourselves to FMA arrangements with the integrated companies or the major companies alone. Granted, we started with an FMA with Malette waferboard in Timmins. Dubreuil Brothers are on the list for early next year. We have indicated to the Hearst and Chapleau operators that we would like to have all the operators in those areas in a co-operative type of FMA. It will not be exactly the same mechanism, but it would involve all the operators.

What would normally be assumed to remain, because of the state of its organization, as crown management units and incapable of being under an FMA type of program, I think is changing as well. We are trying to get some of the areas that have local operations in them to have access to the same kinds of funding mechanisms, and we hope, therefore, that we will increase beyond 70 per cent.

We have tried to shuffle the priorities or the cards in that whole process since I came in during 1981, trying to get the nonintegrated operators in first and indicating to the Hearst and Chapleau operators and some of the folks in the north central region that we are prepared to do co-operative FMA projects with all the operators in the areas. It is a little bit of an offshoot from the typical FMA as most people perceive it, but it has been a priority to try to get them fitted into the timetable so that some of that government money goes into those areas as well.

**Mr. Stokes:** Are you looking at the Algonquin Forestry Authority as a model?

**Hon. Mr. Pope:** No, I would not say that. There are some good aspects of that model that we are hoping the local operators will adopt and that we can agree upon as being part of the FMA structure, but I do not think we would necessarily have an authority per se.

Some of the elements of organization with the

local operators could take place in a similar vein. For instance, if I can explain it, there would have to be some priority-setting system with respect to road construction or which areas would be accessed—where the mills are located has a lot to do with that, and there could be a lot of competition in that—which areas have priority for site preparation, which areas have priority to go in for tending—a number of these things that dollars flow for through the FMA structure that do not now flow to operators in the non-FMA areas.

A number of these issues have to be worked out by all the operators collectively, and how you do that and the structure you employ are things that have to be discussed with the operators.

**Mr. Stokes:** There are a lot of very worried people out there, including people like Mr. Drysdale and Dr. Zsuffa—all of those excellent people you have out at Maple. The wonderful work they are doing is really impressive. I invite members of the committee to go out there.

You have Mr. Armson and Mr. Walmsley running around the province telling everyone that you are taking a whole new approach with regard to research in your ministry.

I was told that there was a contract all ready to go out for improvements to that facility. It was modest—I think it was just in excess of \$1 million—but that contract was almost ready to be let for improvements to your Maple station when the big boot dropped from the ivory tower. They said the status quo with regard to research is no longer a viable proposition, and you are going to turn it over to people who you think might give you a bigger bang for your buck.

I supposed you were going to turn it over to the academic community, but when we talked to Dean Nordin and his staff at the University of Toronto we were advised that no commitments had been made, notwithstanding the fact that your colleague the Minister of Colleges and Universities (Miss Stephenson) unveiled a plan for a \$30-million expenditure to establish a resources centre at the University of Toronto, with another \$14 million coming from the private sector, when the economy turns around.

Not one penny of research money has been allocated to the U of T forestry faculty, although they did sign something worth in the neighbourhood of \$3 million with the federal government.

I am told that your tree improvement program, which one would have thought would have gone to either the University of Toronto or

Lakehead University—both having a forestry faculty—is going over to the University of Guelph, simply because they are better able to look at the genetics of trees, improve upon the quality and reduce the time it takes to grow a superior tree.

Do not take my word for it. Call up people at the forestry faculty—who Mr. Walmsley and Mr. Armson know so well—and you will get the same kind of reaction that I got when I was talking to them. They said: "We do not have a clue as to what the deputy minister meant when he said, 'You cannot naturally assume that Maple is going to be there for ever and a day or even that the excellent things they have in the works right now are going to continue.'"

I do not presume to speak for them, but on the basis of what I saw and heard, I think it would be a real travesty if you did not allow them to continue the excellent work they are doing out here. I am not saying that everything should be done there, but at least you should allow them to continue with what they are doing. A lot of those experiments are going to take several years to bear fruit.

You should see the dedication of those people out there. I am sure a good many of them could be doing much better financially in other places, but they are really dedicated people. One chap there, Dr. Zsuffa, is up for two international awards. He has been recognized worldwide for the kind of work he is doing in genetics.

I would like to hear you say right here and now that the excellent work that has been undertaken, and has been ongoing for a number of years, will be allowed to continue. Will you make that commitment?

**Mr. Chairman:** Yes or no?

30 p.m.

**Hon. Mr. Pope:** First, you have not advanced the proposition; so I assume we have advanced beyond saying that we are reducing our funding research. We are not. We never said that. We are not reducing the level of funding.

**Mr. Stokes:** I did not say that.

**Hon. Mr. Pope:** No, I know. I said you are not advancing that proposition. That was one of the things that was misunderstood initially. There is some feeling on the part of the academic and scientific community that we were, in reality, reducing our financial commitment to forestry research. That is not the case.

Dr. Zsuffa, you are quite right, is a man of international renown. We sponsored an interna-

tional scientific audit of his hybrid poplar work last year. We invited scientists from Europe, South America and the United States to come in as an uninvolved panel to review the hybrid poplar program and Dr. Zsuffa's work.

Because of our regard for him, we sent Dr. Zsuffa to a number of international forums to actually promote the quality of his work and to promote the quality of scientific research being done in Ontario. That is how we feel about Dr. Zsuffa and the work that is being done there.

I happen to feel strongly, and I believe the deputy feels the same way—I hope he does—

**Mr. Laughren:** You had better check first.

**Mr. Wildman:** Has he written any letters lately?

**Hon. Mr. Pope:** To you? Why would he?

**Mr. Wildman:** No. I meant to the Toronto Star.

**Hon. Mr. Pope:** No. I think he made his point. He got his retraction.

**Mr. Chairman:** Let us try to avoid interjections. Then we will not have to worry about responses to them.

Interjection.

**Hon. Mr. Pope:** No. I think that was a great offence. It cleared the record.

Interjection.

**Hon. Mr. Pope:** It did not?

**Mr. Wildman:** I didn't say it did not. I laughed.

**Hon. Mr. Pope:** They withdrew the statement. They withdrew three separate statements in that story that were factually incorrect.

**Mr. Chairman:** Minister, perhaps you could finish your answer to Mr. Stokes.

**Hon. Mr. Pope:** Sure. It is just like politics, right?

**Mr. Chairman:** You are still in the middle of the answer to Mr. Stokes. I would like you to complete that, because we have a brief supplementary for clarification.

**Hon. Mr. Pope:** The point I was trying to make was that we believe there is a need to have a more integrated research capacity and consensus in Ontario involving the academic community, the private sector, the federal government and the provincial government.

**Mr. Stokes:** Technology transfers?

**Hon. Mr. Pope:** And research. We do not believe—and perhaps this view is not shared by others, but I happen to think it is—that is the

case right now. Therefore, we believe our research dollars and our technology transfer dollars are not being applied as efficiently as they can be.

Let me give you an example. I was at North Carolina State University school of forestry, talking with the dean of forestry there.

**Mr. Laughren:** Getting an honorary degree?

**Hon. Mr. Pope:** No, never. I will never meet you there either; so do not worry about it.

In the past two or three years, they have instituted a co-operative research program where the private sector, the universities and the state and federal governments get together, pool their resources on a co-operative committee basis, indicate which research projects should go ahead, indicate from their point of view where that kind of research should be done by which facility and indicate what should have priority in terms of technology transfers.

The effect has been that they have made much more efficient use of their dollars and have advanced much further than we have advanced in the past few years—much further than we should have advanced.

All we have been saying is that the federal government is going its own way in its forestry research, as you well know. They are going to expand the Sault Ste. Marie research station. They are going to do their own projects. One million dollars is going into the expansion of a building instead of putting it into research projects.

**Mr. Laughren:** Boy, you have a lot of nerve.

**Hon. Mr. Pope:** I am sorry, it is \$15 million.

**Mr. Laughren:** It takeschutzpah to say that.

**Mr. Chairman:** Please, let the minister continue with his answer.

Interjections.

**Mr. Chairman:** Order, please.

**Hon. Mr. Pope:** Fifteen million dollars spent on a building. What about research?

**Mr. Chairman:** Never mind the interjections. Respond to Mr. Stokes, please, minister.

**Hon. Mr. Pope:** No, you do not know anything about that either.

**Mr. Martel:** Thirty million.

**Hon. Mr. Pope:** Maybe if you would listen, you would understand what is going on.

What we need is a co-operative structure and a commitment from the federal and provincial governments and the private sector and the

universities of dollars towards forestry research. They all have to make dollar commitments.

It has to be a co-operative program where they all have a say in where the collective dollars will be spent and what facility will be doing the work. Therefore, we think we will get more dollars from the research as a result of it and there will be more efficient use of it made.

It does not mean we will not continue to get involved in the genetic development of more appropriate tree types. We are doing a lot of work right now in Kapuskasing and in north-eastern Ontario on spruce, which you probably saw when you went through there. We are continuing experimental work in hardwoods. My own feeling is we should be putting more and more dollars into the conifer research work, the same kind of work we did in hardwood poplar over the past five years. As far as I am concerned, that should be our priority for a number of reasons.

We had a meeting two days ago. Federal government representatives were there from three different federal departments. Our own ministry was represented. Representatives of every forestry school in the province were present and representatives of virtually every company and organized forest organization in the province were present.

We discussed the basis for a co-operative structure, much along the North Carolina state model, and some of the ground rules, and trying to lever some financial commitments out of research into this co-operative effort from all of the sources. We must get together with the federal government. We cannot be doing duplication or research analysing what they are doing, which tends to happen from time to time. We think if we can get this kind of structure in place, and we want to work hard at trying to do it, that we can.

**Mr. Stokes:** What you are saying is you are going to build on what you have, rather than destroy what you have.

**Hon. Mr. Pope:** Yes, that is what we are trying to do. It will not necessarily be research done in our facility, although we believe we have good facilities that should be used. It will not necessarily be the Sault Ste. Marie station and it will not necessarily be the universities.

It could be the field work that has to be done in Kapuskasing and Timmins and Thunder Bay. It could be some more hardwood development work that has to be done in the Algonquin region. We think everyone, collectively, has to decide on what the priority of research and

technology application should be and then put our money into it—

**Mr. G. I. Miller:** Anything for southern Ontario?

**Hon. Mr. Pope:** —including the private sector money. They have to contribute to research and development. That is what we are really trying to do. Granted, that was not the message that came through the initial reaction. I admit that. Since that time we have put out the contacts and we have been trying to get everyone together on it. We hope we will do a better job.

**Mr. Chairman:** Mr. Eakins, I do not really like to entertain the supplementaries because it leads to long questioning. But if you can make prompt a yes or no, go ahead.

**Mr. Eakins:** Rather than a supplementary then, I will ask a straight question.

**Mr. Chairman:** No, do not bother. I will put your name down on the list here.

**Mr. Eakins:** Listen, Mr. Chairman, I have been sitting here all night and I indicated I wanted to speak early.

**Mr. Chairman:** I have a whole list of speakers here. We are rotating. Mr. Lane is next, Mr. Newman and then Mr. Martel.

**Mr. Lane:** Mr. Chairman, seeing that I was ruled out of order earlier tonight and was not allowed to speak, I will still be out of order, but I trust you went—

**Mr. Chairman:** Whatever the question is, try to relate it to the vote.

**Mr. Lane:** I would like to follow along a little bit with what Mr. Stokes was asking about research. I would like to talk about fishery research. The concern in my area is that the universities are going to be doing this. I have no quarrel with various projects being done through the universities. I think that is a good idea. There is no doubt the professors who have certain interests will do a hell of a good job in researching in certain fields.

I feel that research stations like the one at South Baymouth on Manitoulin Island, which as the data for the Lake Huron and Georgian Bay areas, can monitor the lake and give you a total picture that you would not get from universities, because you get what they really wanted to do in particular terms and not necessarily a total picture of what we need to know. I could hope the research stations such as that are not going to be phased out.

9:40 p.m.

**Hon. Mr. Pope:** I think, if anything, we are going to be expanding our biological research and not necessarily just directly related to assessment either. I guess all I can say is that we are committed to putting in more hatchery facilities and rearing facilities involving fish biologists.

If anything, that research will be accelerating. Certainly we have a lot more work to do, for instance, on the issue of pickerel rearing, we have a lot more work to do on the natural reproduction of lake trout and we have a lot more work to do on splake. So, if anything, our fishery research will be increasing as we put these additional facilities in. Certainly in the Manitoulin area there would be no reduction in the operations or in any research projects that are carried on there.

**Mr. Wildman:** Would that include the hatcheries for Wawa, as Mr. Bernier promised in the 1981 election?

**Hon. Mr. Pope:** I never heard of that one.

**Mr. Wildman:** I know you didn't.

**Hon. Mr. Pope:** This is a surprise. We do not have any money left.

**Mr. Lane:** I would like to ask the minister a rather direct question. You may not want to answer it. With regard to the native fishing agreement, I would like to know why you were not more open with your colleagues before the signing of that agreement.

**Mr. Wildman:** John, I thought you were in support of that agreement.

**Mr. Lane:** I did not say I wasn't in support.

**Mr. Chairman:** The answer to this question will solve a lot of the questions that are on the list here.

**Mr. Martel:** Insist on a straight answer, John.

**Hon. Mr. Pope:** In January 1982, we issued a press release—

**Mr. Haggerty:** Was it January? I thought it was in the House.

**Mr. Wildman:** No more subterfuge. Let's go.

**Hon. Mr. Pope:** Okay. In January 1982, we had a press conference at a downtown hotel in Toronto and announced—

**Mr. Eakins:** In a hotel?

**Hon. Mr. Pope:** Yes.

**Mr. Wildman:** It would have been better had you held it in Kenora.

**Hon. Mr. Pope:** Probably.

Interjections.

**Mr. Chairman:** Let the minister answer Mr. Lane's question, please.

**Mr. Ekains:** Yes, it is a good question.

**Hon. Mr. Pope:** You think it is a good question? Okay. I ask the members of the Liberal opposition, did you read the news release in January 1982?

**Mr. Martel:** We certainly did.

**Hon. Mr. Pope:** Then you knew that in January 1982 we were starting a one-year negotiation process with respect to Indian fishing in Ontario and that it involved an analysis of treaty and aboriginal rights and an allocation process. You guys knew it since January 1982, so where was the subterfuge?

Interjection.

**Hon. Mr. Pope:** But you knew, though. You are admitting you knew. You are admitting you read the January 1982 news release, so you knew all through 1982 that there were negotiations going on, and I assume that you informed your constituents of that. It was important enough that you wanted to take the time to inform your constituents that there were negotiations going on with respect to Indian fishing matters in Ontario.

I assume that during the months of June and July you read the articles of John Power in the Toronto Star in which he analysed the progress of the Indian fishing agreements. I assume you read the tourist magazines and the Ontario Federation of Anglers and Hunters' magazines in the summer of 1982 in which they talked about the Indian fishing negotiations going on, in which they talked about the issues that were being discussed. Since you read all of that and you took the time to inform yourselves, you went back and talked to your constituents about it. Right?

**Mr. Chairman:** Does that answer your question, Mr. Lane?

**Hon. Mr. Pope:** You all did that, did you not? During 1982 all that information was available to the public. There were news releases, all this discussion by outdoor writers and by the Ontario Federation of Anglers and Hunters, by the Northern Ontario Tourist Outfitters Association and by the tourist operators. Everyone knew what was going on. They all had some concerns about it and everyone was aware there

was an important issue with respect to the fishery resource.

I am glad we have established that.

**Mr. Haggerty:** Mr. Chairman, on a point of order—

**Hon. Mr. Pope:** No, I am not finished. I am just getting started.

Interjections.

**Mr. Chairman:** Point of order please.

**Mr. Haggerty:** When the minister was speaking in Niagara Falls, Ontario, here—

**Hon. Mr. Pope:** In 1983.

**Mr. Haggerty:** —in 1983, that is right, to the Ontario sportsmen I believe it was—

**Hon. Mr. Pope:** To the Ontario Federation of Anglers and Hunters.

**Mr. Haggerty:** —right, you left them more confused than this committee is today.

**Mr. Wildman:** That is not a point of order.

**Mr. Chairman:** I think that is a little out of order. Mr. Lane?

**Hon. Mr. Pope:** I am not finished yet. I have not even started yet.

**Mr. Chairman:** You are not finished? I think Mr. Lane is satisfied.

**Hon. Mr. Pope:** Oh, no. I am just getting started. These members want to tell their constituents that they were aware of all of this during 1982. They want to tell their tourist operators that they knew all about it all along. I know you do. You want to tell them the truth, do you not? Do you not want to tell them the truth, that you knew about it all along? Why did you say you knew nothing about it?

Interjections.

**Mr. Chairman:** Order please. Can we go back to Mr. Lane's question, and please try to keep it on the vote?

**Hon. Mr. Pope:** No, I am getting there. These issues—

**Mr. Chairman:** Excuse me, Mr. Lane—

**Hon. Mr. Pope:** Oh no, I am just getting started.

The tripartite process has existed since at least the mid-1970s; at least 10 years. The federal government, the provincial government and the Indian organizations in Ontario meet face to face in front of the Indian Commissioner of Ontario who is the commissioner for the tripartite process.

Issues are brought before him. They are put on an agenda by one party or another. The three

parties to the negotiations are the federal government, the provincial government and the Indian organizations of Ontario. That is it.

Indian issues, with respect to treaties, interpretation of treaties, aboriginal rights, resource access and all of these other issues they believe to be their fundamental rights are negotiated with the federal government and the provincial government and their government. They are face-to-face negotiations within that context.

It is not a public debate, nor do they want it to be a public debate. They refuse to have a public debate because they are negotiating their rights with the federal and provincial governments. That is their point of view and that is why they want the tripartite process with the Indian commissioner as a mechanism to discuss what they consider to be their rights.

We have a structure which has existed for 10 years. It is used by all levels of government and the Indian organizations to resolve these kinds of issues. Indian fishing is one of them. We also had hunting, trapping, access to mineral revenues, the 1924 land agreement, wild rice; all of these issues are brought forward in the tripartite process. That is the process the Indian people want to use to discuss their rights, not everyone else's rights, their rights, as they see them falling under treaty or aboriginal rights.

That is the structure we use. It is not a public structure. The media are not invited to attend. They are detailed negotiations. We had 12 sessions, one a month, for an entire year. I attended every single one of them, and so did a number of my staff. The federal government had a representative there for every single one of the meetings, the parliamentary secretary to Mr. Munro, Mr. Chénier. Mr. Munro came to one.

**Mr. Laughren:** Mr. Chénier? Is that Ray Chénier?

**Hon. Mr. Pope:** Oh, you know him?

**Mr. Laughren:** Oh yes, very well.

**Hon. Mr. Pope:** A good friend of yours? You were not at Michipicoten, I understand.

**Mr. Laughren:** Neither were you.  
5:50 p.m.

**Hon. Mr. Pope:** Anyway, this is the process that we have. The negotiations went on for 12 months. At the end of it, the issue of Indian fishing had been agreed to in principle by the federal government, the provincial government and the Indian organizations.

It was not a decision to give new rights, because they believed they always had those

rights under treaty or under aboriginal rights. It was not an agreement whereby we were allocating a resource. It was an agreement which set in place a structure which would allow Indian people to be—for the first time, they believed—meaningfully involved in the regulatory process and it was an agreement which laid out the issues that this regulatory process should address.

The process for the Indians in the agreement was that before any regulations were passed or considered with respect to Indian fishing, the Indians would have the right to discuss any proposal with the provincial and federal governments.

If they disagreed with the probable conclusion or decision of the provincial government and the recommendation of the Ministry of Natural Resources, they would have the right to have an independent biologist assess the biological data upon which that decision was made. They would have the right to an independent umpire who would be an adjunct to the Game and Fish Appeal Board, who would make a report that would be public with respect to the regulation. Therefore there were two separate mechanisms of input before the cabinet of Ontario made the final decision.

For the first time, the Indian people were willing to recognize or willing to accede to the ultimate power of the cabinet of Ontario to finally settle the matter. Therefore, from their point of view they were getting access to the process, some independent review of decision making. We, the cabinet of Ontario, were getting at the end of it all the ultimate right to make the final decision based on all of the material at our disposal. I happen to believe, therefore, that the agreement had benefits for both parties.

After the principles of that agreement were agreed to by Mr. Munro in September 1982 in Toronto, the lawyers went to work in settling the terminology of the agreement. At that point, I started to consult other user groups with respect to the final wording of the agreement, realizing that it was still an agreement between the Indians and the federal and provincial governments with respect to their rights.

I got advice from those groups. They sent me letters, some of them analysed clause by clause. December 17 rolls around when the agreement is supposed to be signed. We are ready to roll with regulations, and the feds do not sign. They say they are going to sign soon and they tell us it will be signed by the middle of January 1983. So we hold off any further discussion on the matter

publicly until the feds have signed, at which time we are going to explain the regulations that have already been agreed to by the Indian negotiators, the federal negotiator and the provincial negotiator.

The detailed regulation had already been agreed to and signed in August 1982 in Sault Ste. Marie and that regulation gave the government of Ontario, through the Ministry of Natural Resources, the right to restrict harvest fishing activities by schedule with this process of consultation in place.

**Mr. Laughren:** Mr. Chairman, on a point of privilege: I am concerned that the privileges of a member of the Legislature are being abused here, because I am absolutely certain that the Minister of Northern Affairs (Mr. Bernier) repeated what the minister just said, and I do not think it is appropriate that it should go on the record without some clarification.

**Mr. Chairman:** Thank you for that.

**Mr. Laughren:** No, I am serious. No, I will not let that go by. Is it not true that the Minister of Northern Affairs claims he was not aware that this process was going on and this kind of consultation had taken place?

**Hon. Mr. Pope:** I do not know what he said.

**Mr. Laughren:** Oh, yes, you do know.

**Hon. Mr. Pope:** No, I do not.

**Mr. Chairman:** Okay, we cannot answer that question tonight.

**Mr. Laughren:** The minister could answer but he will not answer.

**Mr. Wildman:** Perhaps the minister can answer that in his estimates tomorrow morning.

**Hon. Mr. Pope:** The most important point I am coming to now is that having settled the issue of Indian fishing rights as between the Indians and the two levels of government, we felt it was equally important, before any final regulations were passed and therefore any concrete decisions made with respect to the fishery resource, that others who could be affected by the allocation process have a say at the same time.

We indicated, therefore, that we would set up a provincial committee and regional committees of other groups and users, and that they would also review the proposed regulations before they were finalized. The Indian people indicated they were reluctant to participate in that kind of forum, reiterating that a discussion of their rights involved them and the provincial and federal governments.

What we were going to have was a two-part

consultation process: one between the two levels of government and the Indian people with respect to their rights; a second with other user groups with respect to the allocation process that could have an impact on them. That was the public consultation process, and I have to stress, no regulation was ever passed or finalized. Therefore, no person's rights were affected by virtue of this agreement being signed.

It was an agreement with respect to subject matter to be addressed and with respect to proper process to involve the Indian people in the decision-making. And that was where we were headed. There is a constitutional issue and a fundamental issue of Indian treaty rights and aboriginal rights and that will be solved in another forum. But equally important is an allocation of the resource to those who claim to have a right of access to it by virtue of treaty or some other, perhaps traditional, dependence upon it.

At the same time that we are discussing rights to resources, we have to have a system of allocation with which everyone can feel comfortable. It is a system of allocation that has to take place in the public forum. That is why we developed the structure that we did. I do not believe that the Indians would have agreed to negotiate the Indian fishing agreement in a public forum with other user groups. That is the statement they made to me. I believe that they would not have done that.

They may have communicated their point of view with respect to their rights to other user groups, but they would not have sat down at the bargaining table and negotiated with other user groups. In the absence of the agreement, they assert their rights to use the resource through treaty or through aboriginal rights, without a system of allocation, that could limit the total use of the resource or the total amount of resource allocated to them. Without that total allocation process in place, having their rights reaffirmed by the courts of this land, there is then no process of limiting that right through allocation.

That is when you get the Hare case in Manitoulin Island, which rules just on the issue of rights, not on the issue of how much fish should be taken for the sake of the resource itself. That specific issue has to be addressed in a regulatory sense, involving the Indian people, other user groups, the federal and provincial governments. Unless we get together on that, the rights will be established and there will be no

apportionment of the resources and, therefore, no controls.

**Mr. Laughren:** Do you think John Munro understands that?

**Hon. Mr. Pope:** John Munro thought the agreement was unconstitutional and beyond the delegated authority.

**Mr. Stokes:** I hope John now understands it.

**Hon. Mr. Pope:** A week ago Monday, almost a year later, Mr. De Bané walked into a 15-minute meeting, with Mr. Munro, and stated that in reality, even though they had sent me a telex on December 16 saying that the justice department had said the agreement was unconstitutional and beyond the delegated authority, the justice department's complaints with the agreement were of a minor and technical nature, and everything was verbal.

They have never laid anything on the table and I reiterate, unless we have an allocation process through agreement, the courts will make the decisions on the basis of rights alone, without limit. Those are the choices we have. Thankfully, with the discussion that has gone on in the public forum as a result of the Hare case and other cases, more and more people are coming to realize that. We hope the pressure will increase on the federal government to sign the agreement and get the regulations going.

**Mr. Chairman:** Thank you. That was a very full and precise answer.

**Mr. Lane:** Mr. Chairman, I appreciate the minister's detailed answer. I did understand about the dialogue that was going on. Some say you were wrong in doing what you have done. I believe you were right. The native people would not have negotiated at their table with others.

0 p.m.

What bothers me is this. In my riding I have eight Indian reserves and half of the rest of the people are in the tourist business. It seems to me that this agreement now is in limbo, yet the native people feel that because of the agreement, they have something which actually they do not have and, also because of the agreement, the tourist operators feel they have lost something which they have not lost, because there is no agreement. Is there going to be an agreement? This is my concern.

**Mr. Wildman:** The tourist business is going to rise a lot more, and the Indians are going to gain a lot more, through the courts.

**Hon. Mr. Pope:** My feeling is that without an agreement, there will be no process of deciding who is going to gain more access. We had this discussion about potential conflict between user groups during the course of the negotiations. I made a statement in the House on January 20, 1983, reiterating what the Indian negotiators subsequently confirmed: that during the course of the negotiations it was always understood, with respect to zones and allocation, that the Indian people of the province acknowledged the dependence of others in the province on the fishery resource and did not want any decisions made with respect to zones or to allocation that would adversely affect these other user groups. They were very sensitive about that during the negotiations.

That is why they agreed to a regulatory process, ultimately ending up in the cabinet of Ontario. They recognized that the cabinet of Ontario or the Ministry of Natural Resources would ultimately consult other user groups.

They went to great pains on three occasions during the negotiations to say: "We are not going to set up zones and areas where there are commercial operations going on; we are not going to ask them to close up their shop; we are not going to say they cannot fish here; we are not going to charge them an extra fee to fish in waters that we might have an interest in. We do not want to do that to them, because we have to share the resource with the rest of the people in the province. We realize that, irrespective of rights."

I do not think there was ever a feeling that there would be winners and losers and that Indian people would grab a resource away from somebody else.

**Mr. Lane:** There was that feeling following the announcement that the agreement had been signed, with the idea that it was ratified, even though it was not ratified. The other thing I would have to ask you, minister—and I do not know how much you want to say about this Hare and Debassige case. I know you have appealed it but, as I understand from the judge's decision relating to that case, he indicated in handing down his judgement that treaty rights override all other legislation.

If that is right, then not only would the native people have the right to fish anywhere they want to, but they would have the right to hunt and trap anywhere they wanted to, regardless of who might have that trapline, or whatever. I see all kinds of conflict here, if I am reading it correctly and I think I am.

**Hon. Mr. Pope:** The Taylor and Williams case was decided in June 1981 by the Court of Appeal of Ontario. Mr. Justice McKinnon issued the unanimous decision of the court; he issued a judgement. The Supreme Court of Canada refused to hear our appeal from that case, so it is settled law, from the highest jurisprudence in the country. That case ruled that the Game and Fish Act did not apply to the people of Treaty 20 in Peterborough township in eastern Ontario; therefore—

**Mr. Stokes:** The bullfrog case—

**Hon. Mr. Pope:** Yes—Taylor and Williams were collecting bullfrogs out of season. We charged them under the Game and Fish Act. The effect of the Court of Appeal of Ontario decision was that the Game and Fish Act did not apply to limit their rights given by treaty, based on the wording of the treaty and based on the minutes kept of the negotiation session.

The Cheechoo case, a county court case with respect to trapping, indicated that even in an area where treaty Indians held all of those registered traplines under our registration system under the Game and Fish Act, another treaty Indian had an individual right as a treaty Indian to enter upon that trapline and trap for his own use. Therefore, he could substantially affect the livelihood or rights that we had granted to a treaty Indian, because the Game and Fish Act clearly does not apply to treaty Indians in Treaty 9.

Now you have an analysis of the Manitoulin Treaty of 1862. In that case, the county court judge, following this jurisprudence, ruled that the Game and Fish Act and the Ontario fishing regulations enacted under the federal Fisheries Act did not apply to affect the rights of treaty Indians under the Manitoulin Treaty because, first, the Fisheries Act and the Ontario regulations issued under them did not specifically acknowledge that, notwithstanding the treaty rights, these limitations would apply; second, there was some doubt in his mind as to whether or not, even if that condition were recited in the law or in the regulation, it would be effective, in any event, to detract from treaty rights; and third, subsection 35(1) of the Canada Act, the new Constitution, gave primacy under the Constitution to existing treaty and aboriginal rights.

So now, the whole issue is in the hands of the courts with respect to hunting, trapping and the taking of game. The courts, on balance, have ruled that the treaties have primacy and therefore we cannot restrict the allocation of the

resource to them. That again underlines the need for an allocation process by agreement, involving all resource users in the province.

**Mr. Wildman:** Do you have any indication from the Indian organizations that they are willing to move from fishing to game in negotiations?

**Hon. Mr. Pope:** I believe that they have had some problems with respect to the Indian fishing agreement. They know they gave up some of what they felt they had before. They have had trouble, as an umbrella organization, in selling the agreement in some parts of Ontario, and they still have. However, I have received indications of interest from specific treaty organizations in the province, with respect to hunting and trapping issues specifically.

I have indicated to them that I would prefer to see the Indian fishing agreement wind down to some conclusion before we get into these other issues. Part of the reason, obviously, is that as the Indian fishing agreement issue continues, more and more people become aware of the ramifications of court decisions and the need to have resource allocation agreements or systems in place. Therefore, they support these additional negotiations.

**Mr. Lane:** Even if the feds would sign an agreement now, and it was ratified and you made your allocations, if you lost your appeal in court would not all be lost?

**Hon. Mr. Pope:** No, because there was a specific clause in the Indian fishing agreement that addressed that issue. It was that notwithstanding any definition of treaty or aboriginal rights, all of the Indian organizations representing all of the status Indian people in the province were prepared to agree to these regulations.

We felt, therefore, that we could make the case for it being a voluntary, self-imposed regulatory system and, therefore, binding.

**Mr. Lane:** So, if the feds would sign before the appeal is either granted or denied, you could go back to what you originally planned a year ago. Is that right?

**Hon. Mr. Pope:** Yes.

**Mr. Lane:** And then set your committee in motion to deal with the allocation?

**Hon. Mr. Pope:** Yes.

**Mr. Lane:** Thank you very much. I have other questions but I will bring them up under the proper vote.

**Mr. Chairman:** Mr. Haggerty will be the next speaker. Would you place your question—as long as it is on, or very close to, the first vote?

**Mr. Haggerty:** It is on policy. I want to deal with the matter of policy here.

I have two reports from the Ministry of Natural Resources: southern Ontario co-ordinated program strategy and Niagara district land use guidelines. I have some deep concern that perhaps the present Ministry of Natural Resources is taking over from the Ministry of Intergovernmental Affairs as the chief planning office in Ontario. I have some other articles here that I want to get into, Mr. Chairman.

**10:10 p.m.**

For example, the city of Port Colborne is having some hearings, starting next week, concerning the change in their official plan. Some of the councillors are a little bit concerned about the different brochures and articles coming out of the Ministry of Natural Resources as they relate to land use guidelines. Sometimes, I suppose, it can be interpreted that this minister is the chief planning officer of Ontario. One is in relation to gravel.

**Mr. Chairman:** With respect, Mr. Haggerty, I think we are moving into the next vote, which is the lands and waters program.

**Mr. Haggerty:** No, this is ministry policy. I can get into detail on it. What I am saying is that the city now is in a planning process of revamping its official plan and there are some conflicting opinions between the city planners and the different ministries, the Ministry of Natural Resources in particular. They are right, I suppose, to designate a certain area, say in the aggregate sector. There may be a policy in that particular area that conflicts with local municipal planning. At costly expense to the municipality, there have already been revisions made to the official plan and the previous official plan; then the minister can come in, unknown to the municipality, and designate certain areas within that community as an aggregate site.

The minister nods his head. We have the matter about flood plain mapping, another area of the minister's policy, and that is not quite clear either as to the authority of the minister; whether a subordinate body of his ministry, the conservation authorities, has a right to come in and designate certain areas of a municipality to restrict growth in that area.

I am talking not only about persons wanting to build along some stream or some water-

course, but municipalities which have spent an enormous amount of money in providing hard-core services to those areas. Somewhere along the line his ministry has slipped up. For example, normally, in any municipal official plan, they have to have input of the different ministries and their agencies.

I think of the town of Fort Erie, which has spent an enormous amount of money in providing hard-core services for one area which is called Douglastown. It is an area along the Black Creek, a small stream, and the government agency has now prohibited any expansion in that area. Yet the government has spent an enormous amount of money in completing the sewer connections to the homes in that area. It is difficult, when you have a plan of approval in these areas, when they cannot expand.

In other areas, municipalities have spent enormous amounts of money in providing hard-core services to their industrial parks, that now, under surveys and studies done on flood plain mapping, it has been indicated will be 11 feet under water. If that ever happens, there will be nothing left of Ontario. Flooding has been with us since biblical times. Restrictions of that nature have been put in when you have already gone along and provided approval, through other government agencies, for all these hard-core services. It does not seem right that now the ministry, through its subordinate legislative body, the conservation authority, should come in and designate that as flood plain mapping without having some flexibility and compromise.

I know it has been an issue. I know the minister has been involved in it, but we should be dealing with these things when the government sends in one of its top bureaucrats, you might say—I think it is Mr. Ferguson, from mines, is it not? I do not know what mines it is, but I wonder if he has got any mind at all.

**Hon. Mr. Pope:** The Mining and Lands Commissioner.

**Mr. Haggerty:** The Mining and Lands Commissioner, that is right. He was down there and was supposed to have made this report available. We now have a committee, appointed by the ministry. Mr. Taylor is out now holding public meetings throughout Ontario. It seems to me this is a costly item which is going to put another cost on to municipalities. Along with your restraint program, I do not know where the money is going to come from to change the official plans to meet the requirements of this ministry, which have been approved already by

the Minister of Municipal Affairs and Housing. I want to know what the policy is.

**Mr. Chairman:** Okay, I am going to ask that the minister respond because we have a vote very shortly. Would the minister respond?

**Hon. Mr. Pope:** First, our land use planning program is appropriate because 87 per cent of the lands in Ontario are public lands owned by the people of the province.

**Mr. Haggerty:** They are owned by the government?

**Hon. Mr. Pope:** They are owned by the government under the Public Lands Act, by the people of Ontario.

**Mr. Laughren:** Even the lands the forests grow on.

**Hon. Mr. Pope:** That is right.

**Mr. Laughren:** I am glad to hear you realize that.

**Hon. Mr. Pope:** We took pains during the land use planning process, in the finalization of the land use guidelines, to indicate that these were resource planning mechanisms and were not an attempt to put another level of planning in place in the province. They were not intended to impact on private lands. Those statements were clearly made in many instances since June 2, 1983. The issuance of the final land use guidelines reports clearly indicated to the people in the open houses we held after January—what do we call them?

**Mr. Haggerty:** Were they open houses with the licensed industries?

**Hon. Mr. Pope:** No, not the open houses; the information sessions that were held after June 2, 1983.

You say the lands are designated for aggregates. That is factually not correct. No lands are designated for aggregates. We indicated in our aggregate mapping program where the gravel existed. Is there anything wrong with indicating where the gravel exists?

We map resources. We map oil and gas resources and we map mining resources in the province through our geological surveys branch. We try to get a fix on our forest resources in Ontario. Through assessment units, we try to indicate where our fish resources are and what their state is.

We do a lot of work in terms of resource inventories in Ontario. One of the resource inventories we take is where sand and gravel are located—factually where they are—and that is what those maps indicate. We do not have a

process of designating or zoning lands for gravel extraction.

What we have indicated in the options we put to municipalities is that they should either have a reference to the fact that these aggregate maps exist and consider the aggregate resource when they are making planning decisions or put the map in as a reference in the official plan if they want. We give the municipalities four options, none of which includes zoning or designating the land for resource extraction only. We never have.

Flood plains have existed since 1961. Since 1961 we have had a high water level test that we changed in 1971 to the regional storm level. The flood plain program in Ontario has existed for 22 years.

**Mr. Haggerty:** I thought it was water management that existed.

**Hon. Mr. Pope:** No. The Conservation Authorities Act in 1961, amended in 1971, specifically dealt with flood lands. The test was the high water mark in 1961 legislation, which was amended in 1971 to the regional storm level in terms of calculating flood plains. It is not a new issue and it is not a new policy.

**Mr. Piché:** On a point of order, Mr. Chairman: That is a 10-minute bell.

**Mr. Chairman:** It is a 10-minute bell and it has been ringing for a minute or so at least.

**Hon. Mr. Pope:** Just let me have two more minutes.

**Mr. Chairman:** Okay.

**Hon. Mr. Pope:** We have had, for instance official plans and zoning bylaws in Timmins since 1975 with respect to flood plain lands. Since 1972 we have had floodways cleared in Timmins with people being moved out. We have all of the Ontario Municipal Board appeals in 1978-79. It was a current issue with 250 objects. Many other parts of the province have had the same thing.

This is not a new program. It is not a selection for cruel and unusual punishment of the Niagara frontier. It is an ongoing program. The Ferguson report is not a secret document. It was given to the flood plain fighters' organization four or five weeks ago, to Stella Ziff. If you want a copy I am more than happy to give you one.

The Ferguson report substantiates precise the policies of the ministry, and because it does we decided to have an independent review through this committee, appointed by the Association of Municipalities of Ontario, by three professional engineers, by the Real Estate Agents

Organization of Ontario, and chaired by Mr. Taylor. We think they are going to look at all these issues and perhaps come up with some recommendations, but we are committed to a flood plain program.

The same people who say there is no flooding in their area are the same kind of people who said, when we did the flood plain mapping in Field and Sturgeon in 1977, that there would not be a flood there in 1978, and there was, right on the flood line. They said the same thing in Windsor when we did the flood plain mapping before the flood. We have lots of examples of

where actual floods came bang on the predicted flood plain line.

Therefore, it is appropriate. The same municipalities which say they do not want flood plain designations also want our emergency flood assistance when they have flooding.

**Mr. Haggerty:** It would be great to find out what that is. We will continue with it.

**Mr. Chairman:** The committee comes back on the Weiler report next Tuesday night and resumes these estimates on Wednesday morning.

The committee adjourned at 10:21 p.m.

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No. R-20

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# **Hansard**

# **Official Report of Debates**

## Legislative Assembly of Ontario

**Standing Committee on Resources Development**  
Estimates, Ministry of Natural Resources

**Third Session, 32nd Parliament**  
Wednesday, November 30, 1983

Speaker: Honourable John M. Turner  
Clerk: Roderick Lewis, QC

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# LEGISLATIVE ASSEMBLY OF ONTARIO

## STANDING COMMITTEE ON RESOURCES DEVELOPMENT

**Wednesday, November 30, 1983**

The committee met at 9:40 a.m. in room 228.

### ESTIMATES, MINISTRY OF NATURAL RESOURCES

(concluded)

On vote 2501, ministry administration program; item 1, main office:

**Mr. Chairman:** Committee members, the minister was still answering questions from Mr. Haggerty.

**Mr. Laughren:** I want to raise a point of procedure.

**Mr. Chairman:** Right.

**Mr. Laughren:** I expressed concern at the beginning of these debates that we have enough time to spend on forestry and particularly on mining. However, that is the second-last vote in the estimates. There was an indication at that time that the committee would agree to set aside enough time to debate those votes.

I wonder if the committee would agree to split the time available to us today between other matters and the forestry and mining vote? Would the committee have any objections to that? It would mean there would be about three hours or so for that vote, but it is the most important vote in the estimates, I would think.

**Mr. Chairman:** We are still on the wide-ranging head office vote and there are still a number of speakers on it.

**Mr. Laughren:** Exactly. That is why I am worried.

**Mr. Chairman:** At the moment I have Mr. Newman, Mr. Piché, Mr. Martel—I have his name down on the list here—you, Mr. Laughren, Mr. Eakins and Mr. Boudria. Some of those people perhaps will not show up.

**Mr. Laughren:** Also, if I felt we were going to save the three hours or so for forestry and mining, I would take my name off the head office list. But I am not going to get myself trapped into not being able to talk any more about forestry, for example.

**Mr. Chairman:** Which one is forestry filed under?

**Mr. Laughren:** It is the second-last vote, before the junior rangers.

**Mr. Chairman:** That is important.

It is up to committee members whether they want to reserve that much time. Do you think it would take three hours for that vote, Mr. Laughren, if we were to move into that at a given time?

**Mr. Laughren:** It is in the hands of the committee, but I would be quite happy to make that the last three hours of these estimates. We have probably started. The clock is running.

**Mr. Chairman:** Right.

**Mr. Laughren:** We would finish up at what time—four o'clock?

**Mr. Chairman:** We have six and a half hours to do. From 9:30 a.m. to 12:30 p.m. would be three hours—

**Mr. Stokes:** If we went right through, it would be four o'clock.

**Mr. Chairman:** Yes, that is if we went right through. That is fine for those of us who can nip out and get a bite to eat. The minister is stuck in the chair.

**Hon. Mr. Pope:** I do not mind. I do not want to break. I would rather be here.

**Mr. Chairman:** All right, if that is agreeable, we will run right through.

**Mr. Laughren:** The committee could even send out for lunch.

**Mr. Chairman:** The minister might even buy it for us.

**Hon. Mr. Pope:** You are really pushing it now.

**Mr. Laughren:** I think my colleague and I would be willing to start forestry and mining at one o'clock and do everything else before one.

**Mr. Chairman:** Is that agreeable with everybody, we will start mining and forestry at one o'clock?

**Mr. Piché:** We are coming back this afternoon?

**Mr. Chairman:** In your absence, we decided to sit right through lunch. We will plan for that. Mr. Pope will continue with his answers to Mr. Haggerty.

**Mr. G. I. Miller:** Put me on the list.

**Mr. Chairman:** Yes, I will.

**Hon. Mr. Pope:** When I was replying to Mr. Haggerty last week, it was in the last 10 minutes and the bells were ringing, so I did not really do him justice in my reply.

**Mr. Stokes:** What was the question?

**Hon. Mr. Pope:** I am making it up as I go along.

**Mr. Chairman:** He is giving the answer. You can put any question into it at all.

**Hon. Mr. Pope:** What is that supposed to mean?

**Mr. Piché:** Would you pay attention to the minister?

**Hon. Mr. Pope:** In 1971 the Legislature had a debate on amendments to the Conservation Authorities Act. During the course of that debate, which was albeit a brief one, there was a discussion on criteria. Under the previous Conservation Authorities Act, from 1961 the high-water mark had been the test with respect to lands susceptible to flooding and flood plain issues.

I understand it was becoming increasingly difficult during the 1960s to define what was meant by high-water mark and which high-water mark. The high-water mark depended upon flood history or flood potential. Because it was an inexact test in any event, they decided in 1971, after debate in the Legislature, to go for the regional storm criterion.

That was the start. Since 1971—in fact, since 1961—we have had a test with respect to flood plain lands. Since 1971 it has been the regional storm. Since that time, as issues have evolved with respect to flood plain protection and the impact on private land owners, that test has been amplified, reviewed and amended a number of times.

For instance, in 1979 or perhaps in 1978 the two-fringe concept was put in place because of some of the problems that were being experienced in communities which were actually putting flood plain lands into their official plans and zoning bylaws as hazard land or conservation land.

What is happening to the Niagara region right now is not unique to the Niagara region, nor has the Niagara region been singled out to be the first area in Ontario in which this application of flood plain criteria is taking place. In fact, it is one of the last.

In Timmins, where in 1960 we actually had a flood on a controlled waterway, by the way, and where in 1964 we had a creek flash flood, throughout the 1970s the conservation author-

ity actually moved people—about 70 homes—and relocated them in the city of Timmins.

In 1975 and 1976, when the municipal council was dealing with its new official plan, because the new municipality had come into effect in January 1, 1973, and had its new zoning bylaw, we actually had flood plain designation—hazard land designation in the official plan and hazard land designation in the zoning bylaw. We had 250 objectors to that who went to the Ontario Municipal Board and from there to cabinet.

The two-fringe concept, with the actual imminent floodway and the fringe areas with different standards, came into effect in 1979, partly in response. This issue has come up time and time again in different parts of Ontario. I have to reiterate that it is an old standard, an old process that started right back in 1946 with the first Conservation Authorities Act, the first legislation introduced. The issues have been similar since then.

I think what has to happen is that there have to be some reasonableness and flexibility in the application of those guidelines, those standards, by conservation authorities and by our regional offices. At the same time, I do not think we can back off on our commitment to the protection of life and property from some floodway.

9:50 a.m.

One of the determinations that the review committee is looking at right now is what that floodway standard should be, what flexibility should be incorporated into the administration of the standard, and how conservation authorities can carry on their work in a way that will make people feel they are more comfortable in coming to them with their problems and from whom people can get technical information more quickly and more advance notice as to what is being planned by the Ministry of Natural Resources and conservation authorities. That is the kind of thing people were talking about at the different public forums the committee held over the last few weeks in the province and that is the kind of problem we are trying to address.

People say this flooding will never occur. However, four examples were given where mapping had been done prior to the actual flooding and in every case the actual flood was close enough to the line to show the actual flood plain mapping program has some merit and should be continued.

It was in Essex, in Sturgeon, in Field in the Lake Nipissing area, Thunder Bay at Old Fort William and Port Hope. In every case, actual

flooding occurred basically to the premapped flood line. I think that system has proved itself, but the questions still have to be asked about fringes and flexibility in application and infilling as opposed to new subdivision developments.

The other argument made is that if businesses or construction of subdivisions are not allowed in flood plains why would municipal services be put in them? However, it is a fact of life that water pumping stations and sewage treatment plants are located in flood plains, and I do not think anyone seriously objects to that.

I think the problem is where there has been a layout of subdivision servicing in areas that are known to be susceptible to flooding and in which flooding has occurred. That is a very difficult problem. One of the reasons we put a representative of the Association of Municipalities of Ontario on this review committee was to address those kinds of issues.

By the way, we wrote to the Association of Real Estate Agents of Ontario, the Association of Municipalities of Ontario and to chambers of commerce and a number of other groups asking for nominees. We asked them to give us some suggestions and we picked suggestions from among those.

I have met them only once and that was after they had their public meetings. They wanted to ask me some questions, which I replied to, but they are carrying on their review work and they are making their report with their own independent consultant, which we allowed them to retain. So I think an independent look is being taken at the whole system we have in place.

However, I do not think I should hold out any false hope that the entire system is going to be discarded. I still maintain there has to be some flood plain protection program in place. The arguments should only be about what the standard should be and what the flexibility should be in administering it.

I think Mr. Haggerty has a particular problem in his own riding that he was attempting to address. Unfortunately, it was 10:20 and the bells were ringing and we never really got to it the way he would have liked to, but he did indicate he wanted to get back to the issue.

**Mr. Chairman:** Perhaps when we get to that vote, we can go into specifics.

**Mr. Newman:** Mr. Chairman, the minister is on the topic I particularly wanted to discuss, which relates to the Essex Region Conservation Authority. The minister knows that the county itself is quite flat. As a result, the drainage difficulties the municipalities run into are quite

severe, especially with a little heavier than average rainfall.

The city of Windsor has been trying for years now to get some resolution to the problem. I can recall talking about it in my early days in the Legislature in the 1960s and 1970s, but we still have the same problem. They did pass a resolution on October 21. I assume the minister has a copy of it. I may not have written him a letter, but I did write a letter to city hall acknowledging receipt of it and letting them know I would raise the issue if I had an opportunity.

The resolution is not that long. It covers this whole topic at the present time. The resolution adopted by the council of the city of Windsor on October 17 reads as follows:

"Whereas a detailed analysis done in 1970 revealed the need for storm and relief sewers in the area, Cadillac, Alexis, Chandler, Meighen and Meldrum"—that happens to be a bit in the central part of the city geographically, south of Tecumseh Road East, as shown in a certain map that was given to you, listing the streets and how the flooding affects the area—"and whereas, before storm relief sewers can be constructed in this given area, the Grand Marais drain requires improvements, deepening and widening between Dougall Avenue and Pillette Road;

"And whereas, before Grand Marais drain can be improved"—as you can see, before one thing can be done, something earlier has to be done so that it can eventually resolve the problem—"its outlet, which is Turkey Creek in Sandwich West, requires improvements"—so there is no use improving it in the faraway area when you cannot get rid of the water at the further end—"and whereas, in view of the inundation of the low-lying areas along Turkey Creek and its tributaries during heavy storms, funding under the federal-provincial flood reduction program would be very appropriate;

"And whereas over the past several years applications have been made to both the provincial and federal governments for funding of improvements to Turkey Creek under the federal-provincial flood reduction program; and whereas in 1982 a formal application for funding was made by the Essex Region Conservation Authority to Environment Canada, through the Ontario Region of Waterplanning and Management Board;

"And whereas the issue of funding has been raised before the provincial Minister of Natural Resources and at several trilevel meetings; and whereas funds are now being made available under the federal special recovery capital works

program for such drain improvements"—and here is where your ministry is involved—

"—Therefore, be it resolved that the Honourable Charles Caccia, MP, Minister of Environment Canada, and the Honourable Alan W. Pope, MPP, Ontario Minister of Natural Resources, be again urged to provide sufficient funds for the required improvements to Turkey Creek in the township of Sandwich West in order that the city of Windsor may proceed to improve that portion of the Grand Marais drain between Dougall and Pillette and that the existing deficient storm sewers in Cadillac, Alexis, Chandler, Meighen and the Meldrum area south of Tecumseh Road East will be corrected by the construction of the storm relief sewers;

"And, further, that the township of Sandwich West and the Essex Region Conservation Authority be requested to endorse the city's appeal for funds and also that a copy of this resolution be forwarded to the members of Parliament and the local members of the provincial Legislature for their support."

You did receive all of this information. What is your program concerning the relieving of the problem?

**Hon. Mr. Pope:** The funding of flood reduction programs is really done through the budgets of the conservation authorities. It is up to the conservation authorities to adopt what they consider to be their priorities within the lands encompassed in their responsibility and submit those priorities to our regional office.

The regional office looks at all of the requests of conservation authorities, looks at the technical information supplied with the application, tries to look at the engineering and tries to do a cost-benefit ratio. In other words, if we spend this money in flat land, how much flood relief is it actually going to provide to the people who could be affected?

In some instances, it is clear that there is no benefit because of the topography we are dealing with. The water has nowhere to flow, unless one does what the Germans have done in the Rhine and that is sculpture the bottom of the Rhine River to make it flow faster. That creates problems as well because the area is immediately adjacent to the Great Lakes system and all that does is make a back swell.

10 a.m.

What we try to do is analyse the benefits in terms of flood protection and flood reduction vis-à-vis the cost of the project that is being proposed. The conservation authority would

have to adopt it as a priority. It would have to go into every project and be prioritized for flood reduction through the regional office. Then each region submits its priorities to the head office and we do a cost-benefit analysis and a prioritizing exercise ourselves, allocate money for flood damage reduction and flood control province-wide and assign moneys on the basis of those priorities.

Therefore, if this is an ongoing concern of the city of Windsor, I would assume that the conservation authority has already been involved in establishing this as a priority project. If it has not, then it should have been. I presume that in a very short time when we examine the province-wide priorities for funding, we would look at it amongst a list of other priorities that have to be addressed.

Having said that, in the context of the moneys we allocate to conservation authorities, we have virtually squeezed off any funding for administrative building construction or any money for education or interpretive centres and drastically reduced the amount of money available for recreational facilities to indicate in our own way the priority we think conservation authorities should have almost exclusively; that is, the expenditure of public moneys on flood control and flood damage reduction programs.

It has been controversial and difficult at times, but we think there are other avenues available to conservation authorities to upgrade recreation facilities through employment programs and the kinds of thing that exist from time to time and which they should be looking for and taking advantage of, as opposed to always thinking they can get committed funding from us for those projects at the expense of flood damage reduction or flood control programs.

We are not willing to make that kind of an allocation priority. As far as we are concerned, we have a lot of projects to clean up throughout the province and we are prepared to shuffle money from authority to authority and region to region on the basis of the emergency of the problems that have to be dealt with.

**Mr. Newman:** On October 13 of this year the conservation authority did meet and did make substantial recommendations to you. What I would like to know is what you intend to do concerning their recommendation.

What I had read into the record on the city of Windsor's resolution is a follow-up from the conservation authority meeting of October 13. I do understand the allocation of funds and everything of that sort and I know you cannot

come along and resolve all of the problems immediately. But unless you start at the Essex part of the Detroit River, in the LaSalle area, there is going to be a backup right back into the heart of the community. You had better start some time.

I would like to know at this time what your plan is for the recommendation of the conservation authority in an attempt to resolve the flooding which will only increase in size as you cover over, blacktop more and more areas of a community with roads, streets and other things like that.

**Hon. Mr. Pope:** I think the only answer I can give you at this time is that by the end of December or early January we establish the priority projects for which we have moneys available to fund for the coming year. Therefore, the conservation authority would probably get some indication from us in early January as to whether or not that project will be funded during the year or at least submitted for project approval.

Do you know if they have submitted it?

**Mr. Newman:** I cannot answer that.

**Hon. Mr. Pope:** There are two steps. They would not only have to adopt it as a priority, but they would have to submit it for project approval and also funding approval.

There is a reason for that dichotomy, by the way; it is so that the pre-engineering, the design work and all the necessary technical information is made available to us and we can make an assessment of its priority for funding purposes. We might give it project approval, and then it goes on to the list to be funded on a priority basis based on cost-benefit and other technical data that we have.

**Mr. Newman:** I would assume, minister, that has all been done by both the conservation authority and the municipality?

**Hon. Mr. Pope:** If it has been, then you will get an answer probably in early January as to whether or not funding will be available in this coming year.

**Mr. Newman:** Thank you, Mr. Chairman, for allowing me to get that off. There is another item which I would like to discuss—

**Mr. Chairman:** We are really on vote 1 which is kind of policy and I think you sort of wandered into vote 2 there, but however—

**Hon. Mr. Pope:** Were you going to ask about Peche Island?

**Mr. Newman:** Yes. I thought maybe you wanted to go around, you see.

**Mr. Chairman:** Sure, go ahead. We were wandering a bit.

**Hon. Mr. Pope:** We accepted a proposal for a marine taxi service but the proponent did not get the operation into place for this past season. We would presume that he is going to and certainly we will inquire as to whether or not he is going to for the coming season. If he is not prepared to do so, then we will obviously look for other proposals.

In terms of access, we do have some problems about the numbers of people who we think can be accommodated on Peche Island. That is one of the reasons for some of the restrictions that we put on the kind of proposals that we were prepared to accept.

**Mr. Newman:** I understand all of that, minister, but after your ministry goes through a fairly nice whole program concerning the area and then it is set aside completely, I wonder whether this was a public relations gesture or whether the ministry was really sincere when, in 1973, M. M. Dillon Ltd. put out a very nice publication concerning what can be done with Peche Island. I cannot blame you, minister, because you were not involved in that.

I would like to know whether you have any plans for it at all, or whether you are waiting for submissions from the community and interested individuals in the community. I know there has been talk of making a nature study area out of Peche Island, there has been talk of building apartments on Peche Island, there has been talk of having a cable car from Peche Island over to the American side so that Americans could live on Peche Island and commute back and forth by cable car. These are all some of the exotic plans that at one time were thrown into the hopper.

I do not think that anyone was really serious when they were talking in that fashion, but when developers get hold of, or think that they might be able to get hold of, a nice island like that, then their mental capacities go a bit wild and they have the most exotic dreams.

However, we do have an island there, minister, that could be made into some decent type of recreational or nature area. We do not want the same thing to eventually happen to Peche Island as happened to Fighting Island. You know the disgrace. It dates back to 1937 when they used it as a dumping spot for every type of grime and chemical that man could develop over the years.

I do not intend to raise that at all. Some other year maybe I will get back into that matter. But the Peche Island one does concern me because I think it is something that can be developed into a nice Canadian or Essex county recreational or nature facility.

Do you have any plans at all in the hopper, in the ministry, as to the development of the island or are you simply waiting for more input?

**Hon. Mr. Pope:** I guess that Floyd should be here for this, but any master plan does not necessarily mean that we are going to spend money in accordance with what a planner has determined should be in place.

**Mr. Newman:** I accept that.

**Hon. Mr. Pope:** There are a lot of expectations created in the master planning process. This is one of the issues we have to address when we deal with the master planning program under the Parks Assistance Act. It is something we are trying to wrestle with.

10:10 a.m.

Our plan for Peche Island is that it is not going to become another Fighting Island. It is not going to be a residential or commercial development. It is going to be a nature area and we have an approved plan in place for that. What we hope to do is retain it as a nature area, keep development to a minimum, and make sure it is accessible to the people in the Windsor area, subject to limits. We think there are some limits on the number of people who that island can accommodate on a sustained basis and not have some associated environmental problems.

We think it should be retained as a natural area. We think it should be accessible to the people of Windsor in some form, but we would like to see some limits on the number of people who can be accommodated by it.

**Mr. Newman:** What has happened to the ferry service that was talked about at one time? The community was left with the idea that a ferry service was going to be provided between the mainland and Peche Island.

**Hon. Mr. Pope:** The proposals we called for were received; one was accepted. The operator indicated that he hoped to have the service in place last summer. He could not, and we presume—and have been advised—that he will be putting it into operation this coming summer.

It is a water taxi service. We think the size of the boat and the frequency of the service relates to the number of people—on a regular basis—who the island can accommodate.

We hope that that service is going to be put

into place this summer. If it is not, we will look for other people to do it.

**Mr. Newman:** Thank you, minister.

**Mr. Chairman:** Thank you, Mr. Newman. You have a question, Mr. Stokes?

**Mr. Stokes:** Yes. I wanted to get into a matter of policy dealing specifically with provincial parks.

With the reorganization of some of the ministries, where they split up Industry and Tourism and created Tourism and Recreation and Citizenship and Culture, there was some speculation that perhaps it might be more appropriate for Tourism and Recreation to take over the provincial parks system.

That did not happen. I guess, primarily, because of the thinking within the government that all lands, regardless of the use to which they were dedicated, should still come under this ministry. You have heard of several people who would propose that, because this ministry is so all-encompassing and so pervasive in terms of responsibility for resource management and husbanding and responsibility for lands, it is hard to get a handle on.

There are certain members in the House who have suggested that the ministry should be split up and made strictly forestry and lands, and that mining should be set up in another ministry. I am not persuaded that that is the way to go.

You have a resolution, I believe, from the area municipalities in northeastern Ontario, advocating just such a move. I think it came out within the last week. I had a copy of it and I am sure you did.

I think the member for Algoma-Manitoulin (Mr. Lane) suggested that mining was getting short shrift because of the nature of this ministry. I am not persuaded that this is the way to go, but I want to know what the thinking was to retain the provincial parks system as the responsibility of this ministry, as opposed to putting it into Tourism and Recreation—when you have agencies like the Niagara Parks Commission, the St. Lawrence Parks Commission, the St. Clair Parkway Commission, Ste. Marie-among-the-Hurons, and we have—

**Hon. Mr. Pope:** Old Fort William.

**Mr. Stokes:** —Old Fort William. All of those are now with Tourism and Recreation.

That in itself is not too bad. However, I had a memo within the last couple of days from your district office in Thunder Bay saying that your ministry intends to operate—or rather to see that Inwood Provincial Park at Upsala, about 90

miles west of Thunder Bay, will remain open for another year. It has been handled by a private entrepreneur for the last two or three years.

In your overall guidelines—I was going to say plans, but they are now guidelines, with flexibility being the order of the day, and this the most flexible minister I have ever seen—what is your thinking with regard to the operation of provincial parks by your ministry?

Northern communities, particularly in unorganized territory like Upsala, have so little going for them that whenever they see something on their doorstep—some kind of asset, some kind of activity that goes on there that might attract even a few dollars to their midst and in the process provide them with some recreational outlet of their own—they are very concerned. They were very concerned about the privatization of that provincial park.

Now your ministry has indicated that the park may remain open for another year and its status is somewhat in doubt. You will know that under the Parks Assistance Act it is possible for municipalities to get assistance for the maintenance and, I think, the operation of parks within their jurisdiction.

If you look at your parks system, there is one at Kakabeka Falls, the next one is Inwood, and the next is up Highway 599 north of Ignace. There are not a lot of parks there.

If you people are no longer interested in maintaining Inwood as a provincial park under your ministry, would you consider assisting, say, a recreational committee—which, apart from the little local school board, is the only legal entity you have in small communities like that? It would be interesting to hear from you whether or not you would support any initiative that would be taken by the Upsala people to take over that park, with assistance under the Parks Assistance Act.

I know that that piece of legislation is not within your ministry. It comes under the Ministry of Tourism and Recreation, but since it is your responsibility now—we all appreciate the importance of parks within the system—will you either assure us that you will keep that park open, or assist local people in taking it over and maintaining the operation for the reasons I have mentioned?

**Hon. Mr. Pope:** To the last question, the answer is yes. We do control the funding of the Parks Assistance Act, so that—

**Mr. Stokes:** You do, eh?

**Hon. Mr. Pope:** Yes, we do. That mechanism

could be available. We do not lightly close down parks. We have had a number of proposals from the field to reduce their funding problems, and have turned them down.

The level of service we provide at the park may change, based on traffic. That also impacts on our decision as to whether or not there should be a private operator in there. Again, that is something we do not lightly do—turn it over to a private operator.

**10:20 a.m.**

We would be willing to work with the people in Upsala and look at parks assistance funding in order to support that park. As I say, this ministry would not lightly close down an existing government service. That is something I think we should not be doing easily, because there is a great difference in regard to its impact on the community between initiating a new program or a new service and closing down an existing one.

I hope that helps. The reason I think it is important that parks be kept in the Ministry of Natural Resources is that there is no doubt that there is a very important tourism potential or component in the operation of provincial parks. There is no doubt there is a very important recreation component in provincial parks, but that is not all.

Our provincial parks system involves not only the recreational class of park but also the nature preserve, the wilderness classification of park, all of which have much more attached to them in terms of their value to the biological basis or ecological basis of Ontario. Some of the things that the parks advocates were talking about during the land use planning exercise are of much more value, potential and importance than tourism and recreation alone.

That is not to undermine the value of tourism and recreation as they relate to our parks system. But there is so much more involved: so much that involves our ecology; so much that involves the value of having these lands set aside and having the nature preserves in place in different parts of Ontario. It involves addressing our whole concept of resource conservation and resource development and not merely tourism and recreation.

For that reason, all other resource uses, as well as recreation and tourism, have to be considered when making decisions with respect to the parks system. For that reason, I think it is very important that decisions with respect to parks be put in more than a tourism and recreation context, that they be put in the

context of other things that are very important to people in Ontario.

On the mining side, I have to say I totally reject the concept that a separate ministry of mines be established. A separate ministry of mines will not provide nor ensure for anyone, including the mining communities, that we will have a floor price for every metal that is produced in Ontario. It will not ensure that this government will embark upon a program of acquiring inventories. It will not ensure that this government will embark upon a system of emergency mining assistance for mining municipalities. Those kinds of decisions will be made in the overall government context in any event.

If you look at what is going on in mining today and at the moves within the Ministry of Natural Resources with respect to mining, there is no doubt in my mind that mining is not getting short shrift—far from it. It is getting more important attention than it ever has before, in my opinion.

We now have geologists as regional directors in Cochrane and Sudbury. We have record-breaking staking and mineral development work going on now in Ontario, much of which has been supported through Ministry of Natural Resources programs, the Ontario geological survey program and the Ontario mineral exploration program. We have the first bill that I introduced as minister in two and a half years, the Mining Act, which indicates the importance we place on mining activities in the province.

**Mr. Laughren:** You have not introduced any other bills?

**Hon. Mr. Pope:** New mines are opening and existing mines are being reopened or expanded. I do not think anyone can make a case for the fact that mining is taking a back seat in Ontario—whatsoever. I totally reject that concept. It is also important that allocations and conflicts be addressed directly, and the best way that can be done is directly within one ministry.

I call tell you that in January and February of last year we had staff meetings with respect to land use planning. I think one of the internal accomplishments of that whole exercise was that we had all of the players in the room, and we let them at each other for a while and let them try to sort out some of the conflicts, to put some ideas on the table about how to resolve them as opposed to how to state your own case better.

I think that was a very important sign of progress, and it took place in the ministry.

I happen to believe that parks, mining and all

of these issues should be dealt with in the Ministry of Natural Resources, and I have always felt that way.

**Mr. J. A. Reed:** Just as a supplementary, if I might, I think the debate does not rest with the amount of attention so much as the question of how much dilution or dispersion one minister can properly handle. If you take the same reasoning you have talked about—that it is ideal to have all of the conflicting areas represented under one roof—and extend that one step further, we would simply do away with the ministries and bring everybody together in one room under the chairmanship of the Premier. Of course, one can very quickly see the impracticalities of that kind of centralization.

The debate as to whether or not there should be some subdivision in the ministry revolves around the ability to handle such an enormous, and at many times unwieldy, ministry where the decisions made on such a broad base certainly cannot physically be made by one minister. Maybe we will find a superman every time we need a new Minister of Natural Resources.

I would respectfully suggest that this is where the debate lies. How much dispersion can you stand without losing your effectiveness as a minister and without losing your effectiveness as a controller and a chief policymaker in your ministry?

**Hon. Mr. Pope:** I guess the answer is that it is legitimate to question capacities, but if you are going to make a change in the structure, it must be because there is a problem. Now will you explain to me what the problem is?

**Mr. J. A. Reed:** Sure.

**Hon. Mr. Pope:** What is it? What specifically is the problem that requires the creation of a new ministry?

**Mr. J. A. Reed:** What has happened, what has tended to exist in recent years—I have had experience with the Ministry of Natural Resources—is that the regional offices have become largely authorities unto themselves. They do not necessarily reflect, nor have they reflected in the past, the policy of the minister. The policy might be read and interpreted in a different way in one place as compared to another.

The various forces that are in place through the personnel in those ministry offices tend to reflect the policy of the minister in a different way.

**Mr. Stokes:** Au contraire.

**Hon. Mr. Pope:** I wish you guys would make up your minds.

**Mr. J. A. Reed:** Perhaps we can talk about our different sets of experiences, but I am talking out of experience.

**Mr. Laughren:** It is all big government.

**Hon. Mr. Pope:** If that is the problem, if the problem is that you do not think regional offices are reflecting the minister's policy, then I am glad to hear you advance that for the sake of the member for Nickel Belt (Mr. Laughren). He does not think that I have enough control over what is happening in the ministry. As I hear the opposition critic, you seem to want me to exercise more control?

**Mr. Laughren:** That is true.

**Mr. J. A. Reed:** Minister, in fairness, I am not trying to play with words here.

10:30 a.m.

**Hon. Mr. Pope:** I know. Let me finish. If that is the case, why would you not separate parks out and create a separate parks ministry as opposed to mining?

**Mr. Laughren:** Another ministry?

**Hon. Mr. Pope:** I mean, why mining, other than that some guys in some municipalities think it is going to somehow provide for some funding mechanisms for their activities? Why would you separate mining as opposed to parks or fishing?

**Mr. J. A. Reed:** Let us put it another way. Admittedly, the Ministry of Natural Resources is the largest ministry in Ontario and it deals with the broadest range of subject areas. The question is—and will always remain—whether the administration of those subject areas could be more effective than it is at present if it were subdivided.

One of the arguments that always follows from that—I am not trying to set up a yes or no situation here—is, "What is the current problem, or is there a current problem?"

If the minister suggests there is no problem with the regional system, I would suggest to him that there are some in the actual working of the system, as it exists now.

I will restate that the minister may have the very best of intentions. Policy here at Queen's Park, may be made in the most sincere way, but on the firing line, where the action happens, it does not always follow.

Maybe there is a better way to handle that, than to subdivide the Ministry of Natural Resources, but that is one suggestion I have put forward.

I have suggested that mining be separated, simply because it is a subject area unto itself.

**Mr. Laughren:** I am confused. I am absolutely certain the Liberal Party called for fewer ministries of government. At the same time, it is calling for more. I wondered if Mr. Reed could—

**Mr. J. A. Reed:** You know, since it is a superministry, the umbrella ministry, we certainly—

**Mr. Chairman:** We had better let the minister respond to Mr. Reed's question.

**Mr. Laughren:** I did not want the public to be confused.

**Mr. Chairman:** Very considerate.

**Mr. Stokes:** I think Mr. Reed was just musing. I do not think there was a question there, or a statement. I think he was just thinking out loud.

**Mr. J. A. Reed:** The question has always been whether the Ministry of Natural Resources is too large; whether it is so large now that it has become an awkward, unmanageable entity.

**Mr. Stokes:** That is why I put the question with a specific reference to Inwood; to see how flexible he was.

I have had my question answered. Flexibility is the order of the day. I have mentioned that—as he did, along with his colleague, in the introduction of land use guidelines.

**Mr. J. A. Reed:** All right, then you could extend the debate back to these regional offices and say, "Thy kingdom come, thy will be done."

**Hon. Mr. Pope:** I do not believe you.

**Mr. Chairman:** Are you satisfied, or are you still waiting for an answer, Mr. Reed?

**Mr. J. A. Reed:** The minister rejected any subdivision of the ministry.

**Hon. Mr. Pope:** Yes.

**Mr. J. A. Reed:** Obviously he has considered it and rejected it. I felt that it was appropriate to—as the member for Lake Nipigon (Mr. Stokes) said—"muse" about the arguments in favour of considering the other side of it.

**Mr. Stokes:** I would like to ask the minister whether or not certain events over the past three to four years give him some cause for concern.

I am not going to mention any names, but you had a person in a very high position within the ministry, who has since departed and is now acting in a consultative capacity. You had another person in forestry, who reached retirement age and has now gone on to the academic

community. You had another person in a high position who, under similar circumstances, left your ministry, went to another in a very high position, and is now out in industry.

They are all being very critical of this ministry, relating all of the sins of omission and commission that they presided over, really, if you want to look at it. The minister will know of what I speak, and so does the deputy. Anybody else in the committee can look back at it.

Those three people—one in the academic community, one acting as a consultant, and another one now with one of the industry associations—are getting a full pension from here. Now they are out, in very lucrative positions, either in the academic community or in industry, and coming back and saying: "This is what we must do to get our act together. If we don't do it, we are going to be in very serious trouble."

They are the very dedicated people, so-called, to whom we have paid good money. We thought they were dedicated people. Now they are on the outside looking in and saying, "This is what you guys"—and I mean you guys—"must do to get your act together."

That concerns me. It makes me wonder just how dedicated these people were, when they can turn the whole thing around, look from the outside in, and say: "These are the problems as we see them. We are experts; we know."

If there are problems in resource management—and I believe there are serious problems—I think those three people were more responsible than most for the dilemma we find ourselves in today.

That gives me very serious concerns. I am not talking about anyone within the ministry now, but it seems to be an emerging pattern. We see them—the former head of the mining section came from industry. We were all assured he was doing the best for the taxpayer, for the ministry, and working in the best interests of the industry itself. What are the people who do that kind of thing thinking?

**Mr. Laughren:** It will not happen any more, will it?

**Mr. J. A. Reed:** Sure, as long as there is bureaucracy, it will happen.

**Mr. Chairman:** Do you have a supplementary?

**Hon. Mr. Pope:** I do not know what it is. I guess it depends on your perception, or where you stand, when you are saying what you are saying. I think that in a number—

**Mr. Stokes:** So much for credibility.

**Hon. Mr. Pope:** In a number of areas, we look at what interest is being represented when they are making those statements. Second, we think we can, in some instances—for instance, we talked about research the other night—turn it around and say, "Okay, if that is your perception, then you had better kick in."

We are trying to use that approach with some of these people and interests, who are making these kinds of statements. To some degree, we are starting to be successful. To some degree, we are not. There is no doubt that it causes us some concern and problems, in carrying on.

**Mr. Stokes:** Is it fair, Mr. Chairman, to direct the question to the deputy? I do not want to put him on the spot, but how would a deputy minister feel, let alone a minister—ministers come and go—

**Hon. Mr. Pope:** You say the wrong thing.

10:40 a.m.

**Mr. Stokes:** No, but here is a dedicated civil servant, who has worked for us for 35 years, and hopefully will still be around. How does he feel, when he brought these people up through the organization?

I felt that whenever they said something they were speaking on behalf of the ministry, and they were really committed to what they were saying. Yet after they retire, on full pension—something in the order of \$35,000 a year—they are no longer out there. They are hired by somebody and say what the industry wants them to say, "These are all of the problems we are faced with now."

Well, they just jumped over the fence. If there is a responsibility there, by gosh, they should be held accountable. They should be shown up for what they are.

**Mr. Chairman:** I wonder if it isn't just human nature. Perhaps it is the same in business too, when a person retires from business at a young age and then goes somewhere else, either working with the competition in the industry or as a consultant. Everybody has his own opinions and reflects on what he has been doing.

**Mr. Laughren:** Like Marvin Shore.

**Mr. Chairman:** Or a politician for that matter. That's right.

**Hon. Mr. Pope:** I think we could inferentially address some of that in the forestry issue. Bill, do you want to say anything?

**Mr. Chairman:** Mr. Foster, do you have any comments of a general nature?

**Mr. Foster:** I really cannot add much to what the minister has already said, but I think often that people who have left the ministry are really speaking from a historical perspective rather than speaking to the situation as it is today. There have been a lot of changes in the past three years, and I am not so sure they are always up to date on those changes when they speak out.

**Mr. Chairman:** We move on. Mr. Miller, you have a question on vote 1—or try to relate it to vote 1, anyway.

**Mr. G. I. Miller:** I asked a question the last night the committee met regarding the marina in Port Dover. There has been a lot of talk about conservation, but they are putting 120,000 metric tons of slag in the marina. Has the minister been able to look at that to see if it is going to have any detrimental effect down the road on the water quality and particularly on the fishing industry?

**Hon. Mr. Pope:** We have notes on it somewhere.

**Mr. G. I. Miller:** It is the Port Dover marina, which is being expanded. It is a good project, but they are using the slag from the Stelco steel plant as backfill. They will be protecting it with heavy armour rock, but I think the fishermen are concerned about their future, and the people are concerned as far as the water quality is concerned for drinking purposes.

**Hon. Mr. Pope:** I have an answer. You are right. As you are representing, there have been questions raised about the use of slag as a construction material for this project. The background, by the way, is that in the spring of 1983, the small crafts and harbours branch of the federal Department of Fisheries and Oceans was involved in an expansion of commercial fishery facilities at Port Dover as well as the provision of a recreational boating harbour to accommodate 400 to 500 craft. I think that is the project you are talking about.

**Mr. G. I. Miller:** That is correct.

**Hon. Mr. Pope:** It is part of a larger federal program to improve berthage facilities across the province. We transferred the water lot to the federal government, and approval of the development plans was channelled through the interministerial committee on Great Lakes access. Approval was granted October 7, 1983.

The potential environmental impacts of the project were reviewed by the Ministry of Environment, the Ministry of Natural Resources and Environment Canada. All three agencies felt it

was extremely unlikely that the use of slag at Port Dover would affect water quality adversely.

Leachate tests using slag indicate that the loss of metals to the water column is extremely low owing to the high alkalinity of the slag being used. Effects in the long term are not as well known, but aged slag is expected to have even less impact than the material tested.

Environment Canada and MOE have suggested that this area should perhaps be a location to carry out long-term monitoring to document any effects under conditions of actual use. The small crafts and harbours branch has agreed to a monitoring program on that site. Our people feel the project is not expected to have any significant impact or effect on fish or fishing.

I guess there are three agencies from two levels of government that have reviewed it before the approval, they did leachate tests and they are prepared to establish a monitoring station there as well.

**Mr. G. I. Miller:** So that will continue. Your ministry will be watching it closely; is that what you are saying?

**Hon. Mr. Pope:** We got involved initially, we certainly would be involved in water quality tests with respect to the fishery resource and we will probably be part of an MOE-Environment Canada team.

In terms of the actual monitoring station, it would be run by MOE and Environment Canada. But certainly we would be involved in some of the testing for fish habitat deterioration or direct impact on fish.

**Mr. G. I. Miller:** Thank you, minister.

My second question is in regard to the Talbot Trail. The Talbot Trail has been established for the past two or three years. It has been signed from Windsor to Fort Erie, and all the municipalities along the north shore of Lake Erie are participating. I know that various ministries have been involved—Transportation and Communications, Natural Resources, and Tourism—and that there has been a lot of co-operation.

I see now that one of the original promoters, Peter Paciovich, who lives in Chatham, in Andy Watson's riding, is suggesting that because of Colonel Talbot's involvement in developing the highway and in the opening of that particular area back in the early 1800s, Colonel Talbot's early home and some of the land be made into a permanent park. It could be purchased with both federal and provincial participation.

I wonder whether the minister might give this some consideration. I believe it is located

almost midway between Fort Erie and Windsor. It would certainly create a kind of focal point to the existing recreation areas along Lake Erie—11 provincial parks and national parks in total, I believe. Tourism does play an important role in our economy, not only for southern Ontario but also for all of Ontario.

I believe this property has been suggested before, but it was never available. It is for sale at present, according to an article in the *Nanticoke Times*, dated Wednesday, November 23, 1983. When Mr. Paciovich was speaking to the Dover Mills Heritage Association on a Sunday of this past month, that was the information that was provided to them.

I ask the ministry to take a look at that to see whether it is feasible to lend a little more support to the promotion and development of the Talbot Trail and to see what it really means to the ministry and to the various parks that are already established.

Perhaps promoting the Talbot Trail would attract more tourism, particularly from the American side. Again, that was discussed. I think one member was concerned about the fishing licence, but American tourists do bring in new dollars. We have access to an immense population, and I think it could only be good for business for the small communities such as Port Rowan and Port Burwell. We do have a lot of history there and a lot of potential, and tourists will certainly add to the overall income and future of the area. Would you take that into consideration and let me know whether you have any comments on it?

10:50 a.m.

**Hon. Mr. Pope:** In general terms, one of the areas where we have not done a good enough job is in exploring the development of historical parks in the province. I do not think there is any doubt about that. Being a history major, that is one of my biases.

Certainly over the past couple of years we have been looking at available sites we already own which have not been fully developed as tourist attractions. For instance, we have been looking at various historical places, such as lighthouses, which a century and a half ago were very important navigational aids, and deteriorating original structures that we feel we should be rehabilitating. In this way we could trace the historical development of different regions of the province, whether it be Manitoulin Island or northeastern Ontario with the fur trade, up through Lake Abitibi and up into Hudson Bay.

There is so much potential for the develop-

ment of a historical theme in our parks and tourist attractions that we have not explored yet. In general terms, it is one of the areas in which I hope we are going to do a better job. We are trying.

With respect to land acquisition, I cannot give you the kind of assurance I believe you would like. We do have acquisition moneys. We have set aside our candidate parks for development in the immediate future, including some historical parks under our land use planning program; there are 155 in total. Some are historical—I think only three or four of them—but we have to make sure they get in.

All we can promise you is that we will look at the site. We will consider the historical significance of the site when we are deciding whether it should be acquired. We will put it on the list, along with other properties, and see where it fits on the priority acquisition list.

We have so much pressure on us to acquire properties along the Niagara Escarpment, which we talked about earlier in the estimates, and in many other areas of the province. That includes flood plains, where the alternative to zoning the flood plain lands is acquisition and then zoning. It is difficult for me to give you a blanket assurance that we can make that kind of acquisition immediately.

We have found that other groups concerned about these specific issues have also taken it upon themselves to find other avenues of funding for land acquisition. To some degree, they have been successful and in some instances they have not been successful.

I think that is all I can helpfully say at this point with respect to that proposal.

I would like to have a copy of the newspaper article, if I could.

**Mr. G. I. Miller:** I will make sure you have that, and I appreciate your comments. I would just like to add one more comment. The business community along the Lake Erie north shore this year has been on the increase. I would like to think the promotion of the Talbot Trail has been an influencing factor on it. The excellent weather conditions this summer could also have been a factor.

I feel there has been some increase because we are promoting the Talbot Trail and making the public aware of the facilities and the history and the access to Lake Erie. It really has not been focused on for a long while. It is close to places like Toronto, Windsor, Hamilton and all the major centres. Making people aware and

providing good facilities makes it that much more attractive.

I appreciate the comments of the minister, and I hope we can move towards improving those facilities.

There is one other area in connection with fishing. I do not know whether I should get into it now. Do you want to leave that for a different vote?

**Mr. Chairman:** It comes under the next vote.

**Hon. Mr. Pope:** I think the reality is that we are going to be on this vote until one o'clock.

**Mr. Chairman:** It is up to the committee.

**Mr. Stokes:** Could I suggest, Mr. Chairman, that you have a wide-ranging dialogue on all of the nonforestry items until one o'clock and then we will see how we do in forestry at that time?

**Mr. Chairman:** All right.

**Mr. J. A. Reed:** Put the names down, Mr. Chairman.

**Mr. Chairman:** We will get the list going again then.

**Mr. G. I. Miller:** Can I discuss it now?

**Mr. Chairman:** Yes, go ahead.

**Mr. G. I. Miller:** This is in regard to the quotas and the meetings the minister has had with the fishing association on Lake Erie. I see the fishermen themselves are opposed to the quota policy that is being established. Are you able to work this out to the satisfaction of the fishing industry? Do you want to bring us up to date on your point of view?

**Hon. Mr. Pope:** We indicated we would be getting back to the commercial fishermen this week with our final proposal. I spent a couple of days over the weekend trying to think through the issues and I will be communicating them to them before the end of the week.

The commercial fishermen participated in the modernization report. Their representatives signed the report. It appeared to have represented a consensus of the people on the committee. I am not aware of the state of internal communications between the representatives who were a part of that report and the industry itself. I had to presume they were talking to the council and to the individual fishermen during the time in which they were participating in discussions with the ministry.

The commercial fishermen, I believe, have made a sincere effort over the past year at self-policing, at some control over undersized take, but I do not think this should be used to lever concessions out of us on quotas.

I indicated to the commercial fishermen when I met with them in October, and as early as May, in fact, that we were committed to modernization of the commercial fishery, that we thought the report had a good basis for that modernization, that we wanted some progress towards modernization in place by 1984 and that we were prepared to hear from them on how they felt modernization should take place.

Specifically, in September and October I indicated to them that we needed to have the final and complete enforcement program finalized, whether self-policing be an adjunct to it or not, with their opinions on what kind of enforcement activity was required, whether it be at the processor end or at dockside, and how that enforcement could take place through processors and a one-write receipt system for catch. I also indicated that we needed to have their concurrence on an assessment system that they would participate in at their expense if they disagreed with our assessment system and that they had to be prepared to abide by the results of the assessment system they agreed to.

The third point was that there was a substantial and severe conflict with the sports fishermen with respect to the incidental catch of sports species, which was having a very detrimental effect on our ability and on the sports fishermen's organizations' ability to come to some agreement with us and with the commercial fishermen on how the fishery resource in the province should be managed.

I specifically put to them a proposal with respect to incidental catch that would see the commercial fishermen get no benefit from the catch of sports species and at the same time make proceeds from the sale of sports species available for fish rehabilitation projects agreed to by the commercial fishermen and the sports fishing organizations in a group. If we can get them working on that proposal it would remove a great deal of the conflict between the two groups and lead to more time and more flexibility in solving the other problems.

I believe the eastern basin is now joined with the western basin for the first time in a decade in Lake Erie, and they have indicated they are prepared to expand the self-policing effort that was put in place on a pilot project basis at the expense of the commercial fishing industry this past summer in the western basin, which I believe was a very successful one that helped us a great deal. I believe they are prepared to engage in assessment activities on a co-operative basis with us, and I believe they are prepared to

accept the incidental catch proposal. I think we are close to resolving some of the more essential elements that had to be resolved in commercial fishing issues.

**11 a.m.**

There have been meetings of commercial fishermen on the other Great Lakes with respect to the same issues, but I think a consensus is emerging that will allow us to make some progress.

The Lake Erie commercial fishermen are of two minds on whether or not quotas should be imposed. Some commercial fishermen, individually, believe that individual quotas should be imposed. They do, they have expressed that to me; but the position of the organizations involved is that there should not be individual quotas on certain species. They believe there should be individual quotas with respect to yellow pickerel, as I understand their position on Lake Erie. With individual quotas you do not need to worry about catch size; that will police itself with the restriction on total take.

That, to some degree, is an accurate assessment of what the situation would be on the basis of the experience of our biologists. They reject a quota on perch. I think the perch quota issue is the main stumbling block to an agreement on the Lake Erie commercial fishing industry. We think it is important that we have self-policing and assessment programs, and incidental catch programs in place. The issue of the perch quota is the one remaining issue on which we have to declare our final decision to the commercial fishermen.

**Mr. G. I. Miller:** The minister indicated he would like to see as many fishermen as possible involved in modernization. Are you sure those smaller fishermen will benefit from modernization and survive?

**Hon. Mr. Pope:** One of the problems in the imposition of quotas with a catch history basis is that some of the marginal fishermen have some concern about their survival, and whether or not they can engage in commercial fishing to the degree they have in the past. We have had individual letters on that issue, and we are looking at that as being one of the problems in the imposition of quotas.

The modernization report indicated that we should close off new entry into the industry. Then anyone wishing to expand an operation would have to acquire existing licences. I do not think this a bad thing.

In some other areas, the conflict is so great

with the tourism industry and the sports fishing industry that we have been acquiring licences that are geographically allocated on an ad hoc basis. We have been doing that, quietly, on Georgian Bay for the last two years, thereby reducing the conflict.

**Mr. G. I. Miller:** Will you do that in the Lake Erie area?

**Hon. Mr. Pope:** No, I cannot give any assurance of that. We do not have individual, geographic licence systems in place on Lake Erie. We just have general basin licences, with some sort of general allocation. There are some quotas. Others—perch does not have any—

**Mr. G. I. Miller:** Should not the ministry take on some responsibility? I mean, you have set a precedent by picking up some; should other areas not be—

**Hon. Mr. Pope:** We have, on occasion, picked up a licence or two in Lake Erie.

**Mr. G. I. Miller:** I know there have been two or three. I am aware of two or three that would certainly like to, and perhaps would be the ones that actually go. I guess my concern, particularly with the unemployment and the need for jobs, is that we maintain as many people as possible in the industry.

I recognize that sports fishing is an important industry too. I think there is room for both of them.

Lake Erie has provided something like 70 per cent of Ontario's freshwater fish in the past 50 years. I think we want to make sure that we can protect and maintain the commercial fishing industry in Port Dover, Port Stanley, Wheatley, Leamington—those areas. I know the fishermen want that. That is their—

**Mr. Stokes:** Are you saying the ministry should pick up licences as they become available?

**Mr. G. I. Miller:** What I am saying is that the ministry has already picked up licences in the Owen Sound, Lake Huron and Georgian Bay areas. If an excessive number of licences are up for sale and the ministry does not feel these should be utilized, then it has some responsibility.

**Mr. Stokes:** There is a supplementary to that. Recently, in the Lake of the Woods area, because there is a lot of pressure on the walleye fishery your ministry has indicated to some of the licence holders that you would like, as a target, to reduce the number of licences on the Lake of the Woods from 40 something down to 20.

I do not know what kind of compensation you

were offering for purchasing those licences and of necessity the gear, but none of them is interested because you are not offering enough. Some of them are saying they have their life's savings invested in equipment and boats. They would have to start at something in the order of \$100,000. That is all they have to show for a lifetime of work.

I do not presume to speak for people on Lake Erie but I do know there are too many licences on Lake Nipigon, for instance, where you have reduced the quota from something like 1.2 million pounds to something in the order of 600,000 pounds, about half, so none of them now can make a living.

Why do you not, as a matter of policy, go to places like Lake Erie, Lake of the Woods, Lake Nipigon—wherever you have a significant commercial fishery—and see whether you can relieve the pressure on the fishery by offering something realistic to buy those people out?

It seems to me that is the only way to relieve the fishery, make it more viable for those who choose to remain and have something for the sportsmen, something for the tourist industry.

Sure, you can spend a lot of money on hatcheries. You can enter into agreements with the private sector and with fish and game clubs to assist you in enhancing the spawning beds and everything else, but obviously in the real pressure spots like Lake Erie, Lake Nipigon and Lake of the Woods, if you are really serious, you must provide some incentive to the commercial fishermen to get into something else by giving them a realistic figure. Would you not agree?

**Hon. Mr. Pope:** Not necessarily. To some degree acquisition is an option we are willing to pursue, but if there is over-fishing quota reduction is also an avenue that should be open to us.

**Mr. Stokes:** Then you starve them out.

**Hon. Mr. Pope:** Maybe they starved themselves out. I am not trying to be harsh about that. I know there are economic problems. Somewhere in between all these options we try to be flexible.

Where there is an over-harvesting problem, generated by the commercial fishery, I do not think the answer is that automatically the government should walk in and buy them all out. I think quota reduction has to be one of the vehicles we have at our disposal to get some rationalization of the industry and of the fish harvest.

You are quite right; I do not think we should dismiss acquisition either. I think previously we

had. In the last two years we have tried to look at that as a viable option.

In fact, in Lake Erie—I do not know if Mr. Miller knows this—we have acquired a couple of licences where we feel they have been available. You always argue about price so I cannot help you on that one. We have not paid \$100,000 for any licence, for any operation, anywhere on the Great Lakes to date, just to give you an indication.

**Mr. Stokes:** Yet if one looks at replacement value—and those boats are not cheap, particularly the ones they operate Lake Erie and all the associated gear; it does not take much to run up into the six-figure amount.

11:10 a.m.

**Mr. G. I. Miller:** One final question in regard to the perch and the eight-inch size limit. The minister has been aware it has been a thorny issue going back several years. Is there any indication that the increased net size and the enforcement policy has increased the size of the perch? Do you have any details on that?

**Hon. Mr. Pope:** The biologists would say, yes, size limits do have an impact, do ensure more reproductive stock is available during and after the commercial fishing impact, and therefore it is important that we retain some restriction on gear, or some size limit.

Even the commercial fishermen in Lake Erie say you have to have quotas or you have to have size limits. Their argument is you do not need both.

That was the reason for saying we are going to put an individual quota on yellow pickerel; you do not need the size limit criterion as well, because once you have fished your quota that is it.

That is only an appropriate comparison when your quota total is such that size limit would not have any impact on the quota fished.

**Mr. Stokes:** What about maturity?

**Hon. Mr. Pope:** That is what I am trying to say. The quota—the total number or poundage of quota—has to be such that that would not be a problem, if you understand what I mean. Therefore, your quota would be less without a size limit than it would be with the size limit.

**Mr. Stokes:** Because you have to have adult fish.

**Mr. G. I. Miller:** From my observations, having been involved for quite a few years now, there does not seem to be any indication that the program is really working. The fishermen said it

would not, that they only grow to a certain length and there was a time to harvest them. That was their principle. They are also concerned about their future, but I do not believe there is any indication of any significant increase in the size of the perch.

There has been waste over the years; you are aware of the waste of those they caught that were slightly under eight inches and had to be thrown back. It really was a waste.

I was in Port Dover one night this week and there was some indication that appointing a new enforcement officer who maybe has fishing experience is a step in the right direction.

Again, minister, I know those fishermen do not want to lose their future. There has to be co-operation between the fishermen and the ministry. I believe that is taking place now and I appreciate that, but I do not believe the net size has really been the total answer in increasing the size of the perch.

**Hon. Mr. Pope:** I do not know if it necessarily impacts on the size or length of catch over an extended period of time. It does have an impact in terms of the availability of reproductive stock, which is what—

**Mr. G. I. Miller:** The future depends on that too.

**Hon. Mr. Pope:** Yes, and I think that is why they have been pretty cautious about discussing size limits and quotas, because they realize there could be a relationship. Naturally they reject all assessment analyses that we prepare, and we have indicated to them that if they reject this system, or the results, they will have to come up with a new system and be prepared to abide by the results.

**Mr. Stokes:** What about mesh size?

**Hon. Mr. Pope:** Mesh size is used, in eastern Lake Ontario for instance, with respect to white fish and perch. That is the vehicle of enforcement. Part of the vehicle of enforcement that we have is the mesh size we allow.

In Lake Erie it is catch size—the length—and the incidental catch, or how the undersized catch was handled this summer.

The key is the commercial fishermen would not get an economic benefit from undersized catch or incidental catch of sports fish. He does not get any economic benefit, but we also do not want wastage of the fish that are already dead when they hit the boat.

So you have to come up with a system that utilizes that resource but does not give direct benefit to the commercial fisherman, puts the

proceeds of the marketing of that resource into fish rehabilitation and into other fishery related projects that everyone believes are necessary and essential on the Great Lakes and the Ontario inland lake systems.

**Mr. Stokes:** Do they use pound nets as opposed to gill nets?

**Mr. G. I. Miller:** No, it is gill nets.

**Mr. Stokes:** Once you have caught them, what do you do?

**Hon. Mr. Pope:** They are dead.

**Mr. G. I. Miller:** You have to utilize them.

**Hon. Mr. Pope:** You have to utilize them, but the key is that the commercial fishermen will bring them in as opposed to throwing them out on the water. They will be processed, but no financial benefit goes to the commercial fishermen from the proceeds.

**Mr. Stokes:** They go for cat food?

**Hon. Mr. Pope:** It goes for cat food, but who gets paid for catching that fish? Right now, it is a question as to whether or not the commercial fishermen should get paid, and I say they should not. The proceeds from that should go into fish rehabilitation projects.

That is sort of an offshoot of the incidental catch issue that we put out to both the sports fishing organizations and the commercial fishing organizations—

**Mr. Stokes:** Could you not have set up a program for subsidizing them for using pound nets as opposed to gill nets?

**Hon. Mr. Pope:** Yes, that is one of the things we have been trying to encourage. Most commercial fishermen will tell you that impounding nets can work in some places, but in others it is absolutely impossible.

There is a real disagreement among biologists and fishermen as to who is right.

**Mr. Stokes:** But you are wasting the resource.

**Hon. Mr. Pope:** We are now, but if you have an incidental catch and undersized catch program in place, the financial benefits of which flow back into the resource, it is not being wasted.

**Mr. Stokes:** It is a shame to use yellow pickerel or perch, which are a real delicacy.

**Mr. J. A. Reed:** I was going to ask you, minister, as a supplementary, surely you are not simply throwing incidental catches into fish meal or catfood?

**Hon. Mr. Pope:** No. He is talking about the undersized catch, which is different from inci-

dental. Right now we give incidental quotas in an attempt to solve the problem of sports species being caught anyway, as a necessary incidence of the commercial activity, and being sold to processors. We allow them a certain number of pounds a year because we believe that they will necessarily catch some of these species.

If you have some other way of getting the proceeds from that catch back into the fishery resource, and not back to the commercial fisherman, you relieve a number of problems, like whether or not you are targeting on sports species on their incidental catch; whether or not you open the way to an argument about increasing incidental catch quotas; and establishing an economic dependence on all of those issues fall into that.

**Mr. Stokes:** Nature, if given a hand, can do it better than you can. If you can convince the commercial fishermen that they should be using pound nets—however they are made available to them—nature, given the chance, could do it better than you can. If you can release those undersized and those in excess of the recognized quotas, that seems to be a more sensible way to go. Not on a put and take basis.

**Hon. Mr. Pope:** Yes. We have also tried to establish through some experimental programs the feasibility of impounding gear and convince the commercial fishermen. I do not think we have been successful. In fact with Shoal Lake we could not even give them the impounding gear to get back into a more selective commercial fishing activity. So I think we have a long way to go on that issue.

**Mr. G. I. Miller:** Minister, again on that perch size issue, there is a specific size of mesh and they are not going to catch the small ones—and with the percentage, was it not 10 per cent that were allowed to be under eight inches?

**Hon. Mr. Pope:** Yes.

**Mr. G. I. Miller:** If that was increased to maybe 20 per cent, depending on what they get, they are still not going to catch the little ones, the really small fish, above 100; it is a percentage basis. They are very close to being the proper length, but they are not quite. Maybe it was the size of the body that has made that difference.

**Mr. Stokes:** Correct me if I am wrong, but if you went down to Port Dover for a perch dinner 20 years ago, you got a good-sized perch. Now you get much less. Is that not the case?

**Mr. G. I. Miller:** No, I do not think so. I do not think they have changed all that much over the years.

Again, they have had this program in effect for four years now, and there is no indication that they get that much bigger. At one end of the lake they seem to be a larger, longer perch. At the eastern end they are smaller and chubbier, because of growing conditions. It has to be. But there is no indication that they are getting longer, Jack. That is what I am saying.

**Mr. Stokes:** They are still the same age?

**Mr. G. I. Miller:** They keep the mesh size and the perch are not growing to the extent that we anticipated.

11:20 a.m.

I think the fishermen who catch them are using the proper net size, and maybe we should increase the percentage and allow them to keep what they catch, and utilize them.

They want to protect their future. They know that means tomorrow's bread on the table. They want to keep it so that you have good co-operation between the ministry and the fishermen themselves. I think the co-operation is being developed and I hope it will improve.

**Mr. Chairman:** Thank you, Mr. Miller. The minister will be back in a moment.

Mr. Laughren, you are the next speaker, would you like to wait for him?

**Mr. Laughren:** I do not know whether Mr. Foster would know this. It is not a serious policy question but it is important to the individual involved.

There is a fellow who is in his 60s—62 or 63—and in 1960, 23 years ago, he came upon an abandoned shack in the woods. He used it on and off for about five years and then he rebuilt it and improved it. He still does not live in it or anything like that but he uses it. He skis in or walks in to the site.

He thinks he will only be able to use it for another couple of years and then at his age he will probably not be able to get into it since he has to walk in. He went to the Ministry of Natural Resources in Sudbury and they told him that he would have to dismantle it under the Public Lands Act.

Generally speaking, I support that program of the ministry on unauthorized occupations. I think that from time to time, though, there can be some discretion used when someone is of his age and is causing no problems—he is a bit of a conservationist, I believe, and he understands his responsibility.

Your lands supervisor in Sudbury, who I think does an exceptionally good job, really does try to bring some judgement to bear on problems like this. He did look at it very seriously and looked at it again to see if there is some way that it could be handled.

All we were really asking was that the ministry hold off on the removal of the very small cottage until this person was finished using it, probably in only a couple of years, with the clear understanding that he would not pass it on to anyone and that that would be the end of that unauthorized occupation. He is quite prepared to accept that. He is not seeing it as something that he would pass on to his family or friends.

I was trying to convince the land supervisor, Mr. Marvin Smith in Sudbury, to do that. He is restricted by the rules of the ministry; I am not blaming him at all.

I believe a query went to the minister's office. It did not come through me. I am not sure of that, but I think that perhaps the person himself, Mr. Armstrong, who lives in Levack, wrote to the minister. I did not get a copy of it, but someone told me he did. He did not tell me that, but someone said he had actually written to the minister's office. I do not expect the minister to remember every letter he gets.

Anyway, all I am suggesting is that a case like that would not set a bad precedent in allowing unauthorized occupations indefinitely, but rather it would allow someone to use it for a couple of years until he could no longer use it because of his age. I think he is 62 or 63 at this point, and I am sure this application is in your files someplace.

I believe the lands supervisor in Sudbury, Mr. Smith, has gone as far as he can go. He has to follow the rules of the ministry. That is my problem.

**Hon. Mr. Pope:** I guess all I can promise you is that I will look at it in the next couple of days to see what we can do. I guess every northern member has—

**Mr. Laughren:** Oh, I know that.

**Hon. Mr. Pope:** I have a lot of them out of Iroquois Falls and Matheson that have similar problems and I am often caught between my roles, generally to my detriment as the local member, because I look pretty strange in front of our guys.

I will have a look at it. We try not to be completely inflexible and I will see what I can do.

**Mr. Laughren:** I know originally he was to have it gone by November 1, but Mr. Smith,

your lands man, gave him an extension or something. I think he did everything he could, but he has to operate within the rules of your ministry, I understand.

**Hon. Mr. Pope:** I will look at it before the end of the week.

**Mr. Laughren:** Okay.

**Mr. Lane:** There are a couple of things that I would like to discuss with the minister. One is my concern about the land that was formerly, and as far as I know is still, under the North Georgian Bay recreation area. I do not know how many years ago—Mr. Stokes will probably remember, or Mr. Newman—but there was concern about preservation of the islands in the North Georgian Bay area.

I think there legislation was issued before my time to protect the islands, because I recall a situation where the Benjamin Islands, which are marvellous to own and very attractive to tourists, were being blasted away to be removed to Chicago, Detroit or someplace to be used for a breakwater site and we managed to get that stopped. After that, there was some protection afforded that particular area.

That is one reason that the North Channel, I think, is said to be the best boating area in the world, because of the beauty of the islands and what nature has given us in that area.

Last year, when the land use planning program was under way, I visited the Espanola office and then wrote some rather strong letters to make sure that the islands in the North Channel were still being protected. I was not aware that the land use guideline program was in any way interfering with the North Georgian Bay recreation area.

However, six months ago or so I had a complaint regarding a dolomite firm that was doing some exploration work on Fraser Bay, which is near Killarney, and which is part of the silica mountains. I was informed that the guidelines superseded the North Georgian Bay recreation plan and that no protection was afforded any more.

I do not know where it is at. I would just like the minister to tell me, if he would or could, what has happened to the land use of the North Georgian Bay recreation area and whether we lost anything in the transition to the land use guidelines.

**Hon. Mr. Pope:** The advice I get is that we have not, and if you are getting contradictory advice from ministry personnel I would like to further explore that.

The act that was passed in 1962 or 1963 gave the minister authority to prepare a land use plan and in fact it was prepared in 1971. The official plan that was prepared under the authority of the Planning Act for the Manitoulin official planning area did take in crown lands covered by our North Georgian Bay recreation reserve plan, and at the time we were involved with the planning authority to ensure that this plan was taken into consideration by them when they were finalizing their official plan.

We were satisfied that our specific concerns were recognized and subsequently treated in the Manitoulin official plan. The land use guidelines, I believe, were developed in keeping with the purpose of the act and of the plan for the North Georgian Bay recreation reserve area.

I think the main concept of the plan under the 1962 legislation was incorporated into our land use guidelines and will assist in providing direction to our staff in the future for any use or development of the North Georgian Bay recreation reserve area.

**11:30 a.m.**

All of our districts have that kind of material and that kind of information; both the 1971 plan and the plan as reflected in the district land use guidelines are available to them for their guidance. The act is going to remain in effect and will still guide future revisions or reviews of the district land use guidelines as they apply in that area.

So, I do not think there is a problem, but I could be wrong. If you are getting contrary indication from the staff I would like to see it.

**Mr. Lane:** Well, minister, I am quite happy with what the guidelines recommend for the islands in the North Channel. They are saying no commercial development and preservation and so forth. I am not unhappy with that, but part of this block of land under the North Georgian Bay recreation reserve included Killarney and the silica mountains. That part of the north Georgian Bay area is very attractive to tourists.

Just to show you how attractive, a year ago last fall an airport was opened in Killarney. A lot of folks said: "Why an airport in Killarney? No one will ever go there." Well, we had over 1,000 aircraft fly into that airport this year.

In the Fraser Bay area, there was some test drilling by a mining firm going on this year, and the fear is that at some point there will be strife with the mining interests and the area will be

taken out of the tourist domain, so to speak. We have been very concerned that would happen.

Maybe there can be extraction of minerals and the beauty of the area will not be too much affected, but it is causing considerable concern and I think we are going to hear considerably more about it from several concerned groups.

I personally am concerned about it because statistics tell us the tourism industry is going to be the largest industry in the world within the next 15 or 20 years. We are very fortunate to have so much natural beauty in that area and certainly that does attract tourists.

I would hope everything we do to allow the expansion of the use of this land for any other purpose does not destroy the beauty of it. I guess what I am saying is if we have to do it, we have to do it in a manner whereby we can preserve the beauty of that area. I do have a concern there.

I can understand you probably have to do some research to find out about it. I appreciate the fact you are as interested as I am in preserving that beauty so we can attract tourists to the area. If there should have to be some mineral extraction in the area we will have to do it in a manner that will still leave the area attractive to the people.

The other matter I would like to bring up is—

**Hon. Mr. Pope:** Before you get to that, are they drilling in the official plan area? Manitoulin?

**Mr. Lane:** As I understand, the Fraser Bay operation is in the North Georgian Bay recreation reserve and that is where they were drilling.

**Hon. Mr. Pope:** And it is covered by the Manitoulin official plan?

**Mr. Lane:** I think it is covered by the Sudbury official plan because it is on the mainland, not on the island. Killarney is part of the Manitoulin district, but I think it is under the Sudbury plan.

The other matter I would like to discuss is the possible future for fish farming in the north. I was privileged to visit an aquaculture experiment going on near Killarney this year, which I understand was a tremendous success.

It would seem that with all the troubles we are having in the farming industry in the north, and because we have so much clean water there, we could have a lot of fish farmers making a respectable living and doing no damage to the environment. In the experiment this year at Killarney, the cages were anchored in the stream while there was fresh water flowing through them at all times. They were anchored

to and from the shore so they would not break loose. I understand the feed for the fish was shipped in from the east coast, but could be produced here using our trash fish.

In my area we do have a lot of sport fishing that is not as good as it should be because there is too much trash fish, too many suckers and carp and that type of thing. It just seems to me we should try to encourage this trout culture because I understand that now we are importing trout from Idaho and other places in the States and from other countries and we are getting a second-class quality of fish.

The fish we produced in this experiment at Killarney this year were of first-class quality. We could not only produce all the fish we need here in this province and in this country, and create a lot of jobs along with it, but could probably also get into the export market because in Germany and other places in the world they do not have the clean water that we do to raise these fish.

I think we are on to something really good here. As a matter of fact, I am trying to arrange with the people who were operating that program and some other fish farmers in the Owen Sound area to make a slide presentation to you and some other ministries early in the winter as to just how well this was done and what opportunities are there for the future.

I just wanted to bring that to your attention. I personally think it has been a great experiment, it has tremendous potential and is something the north could—

**Mr. Stokes:** Whatever happened to the splake there, John?

**Mr. Lane:** They are coming, Jack. In any case, I see a real future for this particular industry in the north.

**Mr. Stokes:** They put all their eggs in one creel.

**Mr. Lane:** It is starting to pay dividends now.

**Hon. Mr. Pope:** One of the things I put to the commercial fishermen two and a half years ago was that they should be looking in the long term to some diversification, much as the Omsteads had done in Wheatley, where they process not only fish products but also quick-freeze vegetable products and actually market them to institutions under a trade name. They are actually into the production of frozen vegetables and other food stocks.

I indicated that this was the way I thought some of the major commercial fishermen in Lake Erie and Lake Ontario should be headed,

and also that they should look at fish farming as an adjunct to their traditional commercial fishing operations in the Great Lakes. I have not seen very much movement to this point, but I guess the short answer is that we are on the verge of finalizing a program that will allow fish farming to take place in the province, with some rigid disease control mechanisms in place.

We have had a number of people from different parts of the province approach us. We are also thinking it could be an adjunct to private hatcheries that we would be using for stocking purposes, or for other purposes, in any event. We think there are some opportunities that could be seized by some entrepreneurs across the province.

I guess the simple answer is that we are prepared to allow and encourage fish farming to take place.

**Mr. Lane:** I am certainly glad to hear that because, as my friend the member for Huron-Middlesex (Mr. Riddell) will know, you have to spend a couple of hundred thousand dollars to get into any kind of farming operation at all today. Here it looks to me as if a few thousand dollars and some knowledge that has been gained through the experiments would get you into fish farming pretty cheaply and provide a pretty reasonable return on your investment.

I was very impressed with the situation. I spent a couple of hours there last summer, and the growth of these trout was tremendous. There are just all kinds of opportunities. I think you are really on to something good and I am glad to hear you say that are going to allow it and encourage it.

**Mr. J. A. Reed:** I will start by asking a supplementary to John's questions about commercial fish farming. Your enthusiasm now for aquaculture in Ontario is most commendable, but are you going to continue to limit the species you are going to allow to be raised, or are you going to allow it at least to expand into some of those varieties that you are now putting into the waters of Ontario on a put-and-take basis?

**Hon. Mr. Pope:** Such as?

**Mr. J. A. Reed:** Salmonids.

**Hon. Mr. Pope:** We do not have legislation—

**Mr. J. A. Reed:** Not everybody likes to eat trout; some people like to eat salmon.

**Hon. Mr. Pope:** You are not going to get me to comment on that.

11:40 a.m.

**Mr. Stokes:** Talk to his biologists and they say that as a result of the accidental dumping of 10,000 humpbacks in Thunder Bay that were supposed to go up into the inland waters, they say they are now afraid they are going to work their way down the Great Lakes and have a problem for the Atlantic salmon fishery.

Nobody knew where the fish were for about 10 years and, all of a sudden, in the fall of the year they are coming up and spawning. They are not a good species of salmon at all.

Are you talking about chinooks, kings, coho or humpbacks?

**Mr. J. A. Reed:** We are talking about something that will make a pink or a red salmon.

Actually, the minister and I have had some correspondence over a period of a year or a year and a half concerning a proposal made by one entrepreneur, as the minister referred to entrepreneurs, who wanted to establish a closed system for raising salmonoids, if you like, presumably a species that is acceptable in the province. He has continually been turned down for policy reasons, the policy being that the ministry simply has said no to the expansion of the varieties in aquaculture beyond that of the trout. That is what this question is all about.

I could not agree more with the member for Algoma-Manitoulin that the potential is there in terms of the vast amount of fresh water this province has to get into aquaculture on a substantial scale. The potential is there for raising quite a broad base of varieties of fish, but so far the government has been so cautious as to limit its approval to the raising of trout only.

**Mr. Stokes:** They probably do not know enough about it.

**Mr. J. A. Reed:** Does this apparent new enthusiasm for commercial fish-raising signal a flag to us that you are going to look at approval of other varieties?

**Hon. Mr. Pope:** I guess the answer is we do not have legislation prepared to change the existing system. Our main request has been to expand the trout species under the act. We have not had a request from anyone that I can recall with respect to the commercial rearing of salmon. There has been a lot of correspondence with me about stocking of salmon in the lakes and rivers.

**Mr. J. A. Reed:** I guess I will have to refresh the minister's memory. I have had quite extensive correspondence, I have met with the head of your fisheries department who has continually turned down an application from a gentle-

man by the name of Mr. McKay, I believe, who has had a proposal on the books for a number of years to raise salmonoids in a closed system.

The only argument that has been put to me by your fisheries people for not approving it is the danger of fish escaping. It is strictly a logistical thing or a technical thing, not something that could not easily be guaranteed. What in the heck is the problem? Is it just government inertia? The desire was to establish such an operation on Lake Huron.

**Hon. Mr. Pope:** Is not an adjunct to that proposal a hatchery for stocking of the lakes, of Lake Huron?

**Mr. J. A. Reed:** No.

**Hon. Mr. Pope:** I think it is. I will go back and reread that.

**Mr. J. A. Reed:** No. It was a matter of the necessity of bringing in brood stock and hatching the eggs from brood stock brought from outside the province in the same manner as you did with coho salmon and as you did with chinooks and so on.

**Hon. Mr. Pope:** Not in Lake Huron. I think I recall that correspondence and there is more than just the fish-food farm operation envisaged in the proposal, but I will go back and review it. I think you are right. I do recall reading some material on that proposal.

**Mr. J. A. Reed:** If you would go back and have your people open that up again, it would be much appreciated.

**Hon. Mr. Pope:** I think one of our concerns was that we had not made a determination with respect to the stocking of salmon in Lake Huron generally. By the way, the municipalities and chambers up there are divided, depending on whether there is a commercial fishing operation in place in the community or not. One of our reservations was that until we made a decision about stocking of salmon in Lake Huron as well we did not want to send the wrong signal out as to what we were prepared to allow to take place.

**Mr. J. A. Reed:** As I remember the proposal, some of the detail of it was that it was to be a closed system entirely and that it was easy mechanically to prevent any possibility of the unloading of species into any body of water.

**Mr. Stokes:** There are some species of salmon that are not sports fish and yet they compete with them.

**Mr. J. A. Reed:** That is right.

I have a couple of subject areas I would like to touch on. One gets back to the business of the

flood plain thing. We have talked about it and I think we have talked about it in some detail. I know now and I am convinced the minister, in his role as the flexible minister, is prepared to take into consideration the evidence that has been given to this committee that has been touring Ontario and so on and that he will be considering it. There are a couple of things I want to enlarge on there.

Do you have a date? Have you a time line for coming to a conclusion? The reason I ask that is there are a lot of people who live in flood plains, in fringe areas, in small villages and communities who want to put another room on their house or put something up on the second floor. Perhaps a farmer wants to build a barn that is technically in a flood plain and so on. All their plans now have been held up for a long time and there is a certain degree of frustration in those existing communities. I wonder if you could give us some sort of date when you would draw your conclusions.

**Hon. Mr. Pope:** I do not think I can. I have been told the committee had a target for December 31. I am advised they have already started meeting on their final report and they have been making some progress. There are more issues to be addressed than they originally thought there would be, including the operation of conservation authorities on which they want to make some recommendations and on which I have said I would appreciate their thoughts.

If they can meet their December 31 deadline, I am hopeful that in the spring we could have some finalization of our position. I have some things in mind already, thinking through the issue, but I would like to wait for the committee's report and then proceed from there. If the committee's report is in by the end of the year, I hope—I will not promise—I can have it in by the spring.

11:50 a.m.

**Mr. J. A. Reed:** There are a lot of people waiting with some concern. In some cases, it has an effect on their livelihood.

I have one other thing on flood control. With all of the exchanges that have taken place in terms of establishing floodlines and so on, I have not heard any comment about employing advanced techniques, especially in the urban areas, for controlling the peaking of runoff.

We know and understand that the deforesting of land contributes to peaks in flooding and, conversely, that reforesting helps to restore land. We also know that with the increase in

paving in a particular area, especially in the areas in southern Ontario where there is a fairly rapid watershed—an acute watershed, if you like—that is surrounded by urban growth and development, we are still putting storm sewers into rivers.

In the last five years there have been a couple within half a mile of my own farm. One is an easement through my farm, running into the Credit River. I am wondering if the ministry in its obvious concern for putting flood control as a priority issue, which you have now as a matter of policy—

**Mr. Stokes:** It must be pretty high-priced real estate.

**Mr. J. A. Reed:** Not my place. For some of the guys around perhaps.

I am just wondering if you are moving, as a matter of policy, towards encouraging municipalities to take measures other than the storm sewer approach to runoff?

**Hon. Mr. Pope:** I think the truth of the matter is that, instead of—I wish Floyd was here to hear this—control of runoff and peaks of runoff, the best way to control it is by having wetlands. Wetlands are located in flood plain lands; therefore we do not allow building on flood plains.

**Mr. J. A. Reed:** With respect, I think your generalization will apply to some particular areas.

**Hon. Mr. Pope:** It applies everywhere.

**Mr. Stokes:** He is just asking you to be flexible in the application of your flood-plain controls.

**Mr. J. A. Reed:** With respect, there are areas where there are no wetlands per se of significance, where the watershed is acute and where urbanization has or is taking over to a certain extent.

I will take you back to my own home area of the Credit River, where the river falls 1,500 feet in 55 miles in a virtual canyon through most of it. Urbanization has taken place along the edges. Some rehabilitation has taken place with reforestation, which has reduced the peaking, but it is being offset very quickly by the increase in urbanization.

There are techniques we know of to counter the need for storm sewers—the zero increased runoff approach in subdivision development and so on—and that can be applied. You can advocate the preservation of wetlands—and I could not agree with you more—but in some areas there are no wetlands. The runoff is fast and immediate and the addition of storm sewers

only offsets any benefit attempted through reforestation and through better land management in the watershed area.

**Hon. Mr. Pope:** I guess my answer is that we have had a policy that indicated we were prepared to respond to—

**Mr. Laughren:** Really?

**Hon. Mr. Pope:** I am trying to support your position if you would let me develop it.

**Mr. Laughren:** Okay. You just said you had a policy.

**Hon. Mr. Pope:** Since 1946 we have had legislation with respect to runoff and flooding. We have had in place since 1961 a high-water mark concept that indicated there should not be construction in those areas that are susceptible to flooding. Since 1971 we have had a regional storm criterion and since 1946 the municipalities have put in structures, paved in the flood plain and—

**Mr. J. A. Reed:** None of it applies to what I have said.

**Hon. Mr. Pope:** —have taken their wetlands out of wetland status and built on them. I think the municipalities had better put some money in their municipal budgets to solve the problem they have created through this approach.

**Mr. J. A. Reed:** All of that may be well and good, but it does not address the question I asked you.

**Hon. Mr. Pope:** I am not prepared to build dams and dikes all over Ontario when the alternative is that municipalities will allow construction to take place in flood plains.

**Mr. J. A. Reed:** Nobody asked you that either.

**Hon. Mr. Pope:** Yes, you did.

**Mr. J. A. Reed:** No.

**Hon. Mr. Pope:** That is exactly what you want.

**Mr. J. A. Reed:** That is not what I asked you. I asked you if you had some kind of position, hopefully backed up financially, for providing alternatives to the common storm drain. That is all. I did not ask about dikes, diversions or anything else.

**Hon. Mr. Pope:** The answer is no. It is up to the municipalities when they design storm drains to consider the impact of runoff on the flood plains and on our river systems in Ontario.

**Mr. J. A. Reed:** That is the sum total—

**Hon. Mr. Pope:** That is my response.

**Mr. J. A. Reed:** All right. Obviously, there is no policy.

**Hon. Mr. Pope:** That is the policy. It has been the policy since 1946.

**Mr. J. A. Reed:** The policy is that it is laid back on the municipality 100 per cent.

**Hon. Mr. Pope:** Yes, but we give assistance with respect to flood plain planning programs, acquisition of wetlands and putting moneys through the conservation authority system for flood plain clearance. On all of these we have spent millions upon millions of dollars over the years.

**Mr. J. A. Reed:** You are going to have storm drains for years to come with that kind of policy. I do not want to belabour it. Time is pressing and there are other members who want to involve themselves in this discussion.

The final subject I would like to discuss with you is getting back to the old CL-215 issue, the water bombers that replaced the Challenger jet. The fact is that a few years before the decision was made that the CL-215s were so great they were rejected out of hand by the ministry.

As a matter of fact, they were rejected on more than one occasion and they were considered unsuitable. I have a quote from the then deputy minister to the agents for the manufacturers of the CL-215s. He said, "We have decided that the CL-215, despite its obvious merits, is not an appropriate aircraft for us to add to our fleet of aircraft."

**Hon. Mr. Pope:** Did Canadair send you all the documentation?

**Mr. J. A. Reed:** No. I think it came from your ministry. I do not think it came from Canadair at all.

**Mr. Laughren:** Do you realize how open you were?

**Mr. J. A. Reed:** They used to be.

**Hon. Mr. Pope:** I will find out about this.

**Mr. J. A. Reed:** As recently as 1980 you were rejecting the CL-215. I think the people of Ontario deserve to know how circumstances changed in the interim that suddenly made the CL-215 the very best aircraft. By 1978 there were customers in Quebec, France, Spain, Greece and Manitoba for CL-215s. They were considered on a broad base a very acceptable aircraft, but the Ministry of Natural Resources in Ontario put thumbs down on them.

At that time, it is interesting to note they

could have been purchased for an awful lot less money then they are going at the present time.

**Hon. Mr. Pope:** How much less?

**12 noon**

**Mr. J. A. Reed:** I have some figures here somewhere. I think it was about half the price three years before. The same plane was available for \$2.8 million at one point. While we are in this, I will find the date for that.

**Mr. Stokes:** We paid \$12 million for two.

**Mr. J. A. Reed:** For \$12 million we got two, yes. So in a period of over three years they doubled in price. I do not know whether there was some additional platinum plating went on the fuselage or something; admittedly, there may have been some improvements made to the aircraft.

**Hon. Mr. Pope:** It was the retrofitting of jet engines.

**Mr. J. A. Reed:** It may be. There may be some things that justify some of it, but what on earth is the mentality in the ministry that can reject a piece of technology like this at one point and then a few years later suddenly find—is this flexibility?

**Hon. Mr. Pope:** Sure, it is flexibility.

**Mr. J. A. Reed:** —and suddenly embrace it in a very politically expedient manner, naturally, to get rid of the stigma of the Challenger.

**Hon. Mr. Pope:** Which is closer to Toronto? Halifax or Kenora?

**Mr. J. A. Reed:** Are you putting a case forward for the Challenger?

**Hon. Mr. Pope:** I am just asking you.

**Mr. Stokes:** Halifax.

**Mr. J. A. Reed:** Halifax is closer than Kenora.

**Hon. Mr. Pope:** Yes. Everybody is going to Cape Breton and Quebec City every weekend on Challenger jets.

**Mr. J. A. Reed:** What do you do with CL-215s?

**Hon. Mr. Pope:** I am just stating some of the facts, because Mr. Blais had great fun in Hearst talking about our Challenger jet when he himself had flown up in one. Anyway, there is no end to their hypocrisy.

**Mr. Laughren:** He didn't really. Wasn't he up there for the fishing agreement?

**Hon. Mr. Pope:** No. He wanted to tell us his opinions on our funding of Hearst College.

**Mr. Laughren:** Oh yes. That is still in Hearst, isn't it?

**Hon. Mr. Pope:** Yes. It is doing quite well. Very well qualified alumni graduate from Hearst College—exceptional people.

**Mr. Laughren:** Name one.

**Hon. Mr. Pope:** My wife.

**Mr. Chairman:** The minister was responding to Mr. Reed, I believe, gentlemen.

**Mr. J. A. Reed:** I did ask a question, Mr. Chairman, and I hope the minister will be able to reply to this.

**Hon. Mr. Pope:** In the late 1970s our priority was the acquisition of Twin Otters. We acquired five of them. They were a multipurpose aircraft and were used for firefighting. That was the decision of the ministry at that time.

In 1980, Mr. Auld, and this is well recorded, had called for a national fleet. Canadair, as a national government agency, was obviously one of the prospects for the acquisition of a new national forest firefighting fleet.

We led the way in saying that there should be a federal-provincial agreement on developing and acquiring a national fleet. Mr. Auld, I think, showed Canada-wide leadership on this issue and indicated we were prepared to get involved.

In 1982, we did lease the aircraft on a test basis. It had been used in Europe and, of course, in Quebec. In September 1982, we purchased two aircraft, knowing that in any event it would be part of a national fleet acquisition program, which had already been discussed in late August and September of 1982, at a federal-provincial forestry ministers meeting in Corner Brook, Newfoundland.

It was in the context of the imminent creation of a national fleet that the acquisition of the two aircraft was made and subsequently used by us in our negotiations for the federal government participation in the acquisition of four additional aircraft, along with our three, plus the two existing ones.

**Mr. J. A. Reed:** You had some serious criticisms of the CL-215.

**Hon. Mr. Pope:** Sure. It was unproven, untested and—

**Mr. J. A. Reed:** It was not that that was criticized; it was its lack of versatility as a fire bomber and its propulsion.

**Hon. Mr. Pope:** Are you saying that it is now a versatile aircraft?

**Mr. J. A. Reed:** Obviously, there were some reasons to recommend it, but the prevailing expertise of the day inside the ministry said it was not.

**Hon. Mr. Pope:** It is still not a versatile aircraft. It is used exclusively for water bombing. That is why we went with the five Twin Otters as a priority acquisition, because they had more uses attached to them. It was only in the context of having a national fleet that would be put to greater use at different times of the year, in a national and international context, that we were prepared to participate with the federal government in the purchasing of the CL-215s.

**Mr. J. A. Reed:** So you are saying that what was not, now is.

**Hon. Mr. Pope:** Somehow.

**Mr. J. A. Reed:** What has changed?

**Hon. Mr. Pope:** Federal government contributions, a national forest fire fighting organization based in Winnipeg that we are involved in and our feeling right now that the time is right to acquire these aircraft and to use them in different parts of North and South America, through the offices of our federal government.

**Mr. J. A. Reed:** That is all very fine and so on, but the merits of the CL-215 were evident in 1976.

**Hon. Mr. Pope:** As a sole-purpose aircraft.

**Mr. J. A. Reed:** The province of Quebec thought enough of them to have 15 of them.

**Hon. Mr. Pope:** Under what financing arrangements, which were not available to anyone else?

**Mr. J. A. Reed:** Are you suggesting the same arrangements could not have been made?

**Hon. Mr. Pope:** Yes, I am suggesting that. I assume you know what the financing arrangements are, if you have studied this issue.

**Mr. J. A. Reed:** Yes, I have some information here on the—

**Hon. Mr. Pope:** The \$2.8 million represented actual production costs; you might put out on the table too. It was one crown agency to another government.

**Mr. J. A. Reed:** Would you spell out for the good taxpayers of the province just what has changed? What are the differences?

**Hon. Mr. Pope:** As I told you, the financial contribution by the federal government and the existence of a national air fleet.

**Mr. J. A. Reed:** How much?

**Hon. Mr. Pope:** Four ninths.

**Mr. J. A. Reed:** So the federal government now is contributing four ninths of the cost of the CL-215s?

**Hon. Mr. Pope:** Yes.

**Mr. J. A. Reed:** Was an approach made to the federal government prior to that time to try to purchase CL-215s?

**Hon. Mr. Pope:** Oh sure. In 1980, there were all sorts of negotiations with Canadair, the federal government and Mr. Auld.

**Mr. J. A. Reed:** Canadair, according to the information I have, was simply rejected. Canadair itself was rejected as a supplier.

**Hon. Mr. Pope:** What do you mean? So there were no negotiations?

**Mr. J. A. Reed:** Can you tell me what approaches were made to the federal government prior to 1980?

**Hon. Mr. Pope:** Federal-provincial forestry conferences dealt with national forest firefighting initiatives. Canadair is a federal government agency. Correct?

**Mr. J. A. Reed:** Yes; a crown corporation, like Ontario Hydro.

**Hon. Mr. Pope:** Yes. You can get into a discussion on that when you compare the efficiencies, however.

There obviously had been discussion over an extended period of time, and I reiterate that in 1980 it was Mr. Auld who argued and took the initiative to call for a national fleet.

**Mr. J. A. Reed:** I have to predate that a little bit. I realize Mr. Auld did that, but this aircraft, this technology and this equipment were available prior to that time.

You talked about the financial arrangements that were made with the province of Quebec. I understand there were also financial arrangements made with the province of Manitoba.

**Hon. Mr. Pope:** When?

**Mr. J. A. Reed:** So it is not inconceivable that they could not have been made with the province of Ontario?

**Hon. Mr. Pope:** When? With Manitoba, when?

**Mr. J. A. Reed:** Well, I have the terms here—

**Hon. Mr. Pope:** I think you will find it is after 1980.

**Mr. J. A. Reed:** No, I do not believe it was. However—

**Hon. Mr. Pope:** I understand Canadair has a file on this and is obviously unhappy with the history of the acquisition program. Those are the issues you are bringing to this committee.

12:10 p.m.

**Mr. J. A. Reed:** There is something unanswered here. In the information I have, the reasons for rejecting the aircraft did not revolve around the

government's inability to negotiate federal funding. It revolved around the provincial government's rejection of the aircraft. As you said yourself, lack of versatility of the water bomber was one of the reasons. One of the other serious reasons for rejection was propulsion.

**Hon. Mr. Pope:** Are you saying there was a federal funding offer on the table?

**Mr. J. A. Reed:** I am trying to establish, first, whether Ontario went to the federal government prior to that time and said: "Okay, you can do it for Quebec; you can do it for Manitoba. Can you do it for us?"

**Hon. Mr. Pope:** You mean Canadair was negotiating with Ontario, directly and unilaterally, without involving the federal government?

**Mr. J. A. Reed:** I have no idea, but that is irrelevant at this point.

**Hon. Mr. Pope:** Why?

**Mr. J. A. Reed:** You suggested to this committee that the funding that went to Quebec, and presumably to Manitoba, was not available to Ontario. But the reason for rejecting the aircraft, as this information demonstrates, was not the funding problem; that was another issue.

**Hon. Mr. Pope:** Our priority was to acquire Twin Otters, which were more versatile. There was no funding proposal.

**Mr. J. A. Reed:** Are they still more versatile?

**Hon. Mr. Pope:** Sure. That is why we acquired them.

**Mr. J. A. Reed:** Are they better aircraft for Ontario?

**Hon. Mr. Pope:** They are more versatile and therefore better aircraft for Ontario.

**Mr. J. A. Reed:** So you are suggesting that you should not have got into the CL-215 program at all.

**Hon. Mr. Pope:** I did not say that. That does not logically follow at all. They are more versatile; so our priority was to acquire them, and we spent money acquiring them.

**The Acting Chairman (Mr. Lane):** Okay, Mr. Reed?

**Mr. J. A. Reed:** Well, we are going to dance around the mulberry bush on this until hell freezes over.

**Hon. Mr. Pope:** That's right.

**Mr. J. A. Reed:** We might as well go, but I just cannot understand how a technology, which presumably is excellent now, was not excellent when it first came on the market.

**The Acting Chairman:** Thank you, Mr. Reed. Mr. Watson?

**Mr. Watson:** Mr. Chairman, I would like to explore the general flood plain policy a little bit and then go on to some of the conservation authority policies.

Minister, you now have a flood plain committee in place. Could you outline what types of things you are anticipating that committee to come up with—not in terms of what they are going to come up with, but the terms of reference they have and the type of advice you expect to get from them?

**Hon. Mr. Pope:** The committee is to report back with respect to the points of view of people who came to their meetings or who have written to them, on problems associated with the flood plain policy and its administration.

They are, therefore, looking at the need for a flood plain policy, the impact of a flood plain policy on private property owners, the criteria for the regional storm and the three regional criteria that exist—the background to them and whether they should be changed.

They are looking at whether there should be floodways versus flood fringe; what the elements of flexibility should be in administering the policy, both in the Ministry of Natural Resources office and in the conservation authorities; how there should be changes in notice and information being made available to the public; and how to handle the meetings dealing with flood plain issues.

They are trying to get some information to substantiate or not substantiate some of the claims that flood plain designation means, such as loss of property values, uninsurability and unavailability of financing, and all these other issues that people have associated with flood plain mapping, which we have no history of being a problem in the past. I believe those kinds of things will be addressed and documented by the committee.

**Mr. Watson:** In terms of provincial guidelines or standards, I think it has been recognized in the past that once you get down into Kent and Essex counties, from a practical point of view, you cannot apply some of the same standards that you can in the rest of Ontario.

**Mr. Stokes:** It is all a potential flood plain.

**Mr. Watson:** It is a potential flood plain. Whereas Mr. Reed was mentioning the fall that they had in the Credit River and the problems they had with that, our problems are just the

opposite. Our problem is that we are so flat, that the water will not run.

My concern is whether there is going to be a practical application of any guidelines for the flat areas of Kent and Essex counties. I think there has to be. Otherwise, you are going to end up with dikes 10 or 15 feet high down both sides of the Thames River, which is going to be unacceptable.

**Mr. Laughren:** Mr. Pope is known as the Noah of the north.

**Mr. Watson:** Maybe he is going to be known as the Noah of the south, before we get all our problems solved.

**Mr. Stokes:** He is making a list of the species that are going to go along with him. You may or may not be on the list.

**Hon. Mr. Pope:** I guess I cannot give you that assurance. It is one of the issues that has been brought to the committee's attention. I think an issue that has to be considered, when you are looking at that problem, is what the expectations will be for flood damage relief. I think the two have to go hand in hand.

If you are prepared to accept a degree of flooding with respect to flood plains, then you have to be prepared to accept a degree of flooding with respect to flood damage relief. That is one of the issues that has to be clearly addressed in any solution we finally come up with. Unfortunately, the two are not necessarily always linked.

**Mr. Watson:** On the matter of availability of funds in southwestern Ontario, I started to mention, the last time I had the floor, that I anticipate the McKeough dam will be completed and perhaps operational by next year. It should be some relief to everybody, to those in Kent county and perhaps to you.

My point in rising is to inquire whether there are going to be other funds available in southwestern Ontario for other projects related to conservation authorities.

**Hon. Mr. Pope:** There should be. That is part of the regional allocation. There might be some movement from region to region but not on a dollar-per-dollar basis. There should be additional moneys available.

Whether or not we come up with another McKeough project that will take up available capital is something, I guess, that has yet to be determined. I think the net effect of finishing that project will be that there will be a number of projects in that region that we can then have a look at. We hope they will not be as capital-

intensive in terms of construction but perhaps as efficient in resolving flooding problems.

**Mr. Watson:** One of the excuses given by your ministry, even before you arrived there—when Mr. Auld was there—for not contemplating some of the projects the lower Thames had in mind was that there was no availability of money and therefore there was no reason to make final decisions on projects because of unavailability of money.

My reason for asking is that if the possibility now exists that money is available, can these people now not look at that as the only reason for not going with projects they require?

12:20 p.m.

I am interested in the difference between recommendations of your ministry and the recommendations of conservation authorities. How close or how far apart are you? How much dominance do you put on that? Do you take their word and only fund them, or do you work together to come up with a consensus?

**Hon. Mr. Pope:** We try and be flexible. The conservation authorities submit their lists with their priorities. We review them, put them into a regional context and establish regional priorities.

Having looked at the regional priorities, we allocate between regions as well. We do some verification or audit with respect to cost-benefit analysis and then we allocate on a priority basis related to the availability of funds. They have a role to play in initiating, getting project approval and then standing in line for funding approval. We have an examination of priorities, as they do.

**Mr. Watson:** Therefore, it is not necessarily completely your decision nor not necessarily completely theirs.

**Hon. Mr. Pope:** That is right. We could not initiate a project on our own. I have never heard of one being initiated on our own through the conservation authority.

**Mr. Watson:** Is it fair to say that with projects initiated for flood control, minor flooding and major flooding the wishes of the municipalities involved are the primary concern in making that decision? In other words, you are not going to tell.

We have our difficulties with McGregor Creek, which I think you have heard about. One of the things that has been said for quite a while is that the local people have to make the decision. One of the problems we have had in deciding what to do in some of the projects was the availability of money. That project can be

done in certain phases. The authority is asking to go ahead with certain aspects of it at present—a clean-out aspect. There seems to be some considerable discussion in our area as to whether or not that section should proceed.

If the municipalities, through the authority, were to request a different order of doing things, you would not insist that it be done in any certain order. Is that correct? You would take the advice of the local municipalities?

**Hon. Mr. Pope:** Yes. There is a dispute here between municipalities, as I understand it. I think the local municipality and the conservation authority should work that out and submit whatever their final project is for funding under traditional rates. We would then put it in on a priority basis for the allocation of funds.

However, I think the development of the project has to be a consensus of the local municipalities and the conservation authority. We have a minimal role. The ultimate design of the project should take place at the local level.

**Mr. Watson:** The problem seems to be consensus in our area. It is a concern to me and I know it is a concern to the member for Kent-Elgin (Mr. McGuigan). We would like to see something done. We do not particularly want to see it stopped up in the courts by people, all of whom I think have legitimate arguments. There are advantages to some systems and advantages to others, and it is just a matter of weighing them. If there is any way you could help resolve our problem with McGregor Creek, it would be most appreciated by all of us.

**Hon. Mr. Pope:** I am not anxious to impose any settlement. I think the pressure is building for the local municipalities and the conservation authority to come up with a final project. I would like to encourage them to sit down and come to some consensus. It would make it easier for us and for you, I presume, to carry on from there and see if we can get the money in there.

**The Acting Chairman (Mr. Lane):** Mr. Stokes, have you deferred to Mr. Martel?

**Mr. Stokes:** On a point of order, Mr. Chairman: Is it appropriate to get lunch first? What are we going to do about that?

**Hon. Mr. Pope:** I asked the chairman about that and he said people were going to leave anyway. I am staying here. If you would like, we can bring up lunch for whoever wants it and you can stay here. Otherwise, if you want to break away, you are perfectly entitled to.

**The Acting Chairman:** With the permission of Mr. Stokes, Mr. Martel is on next and then Mr. Riddell.

**Mr. Martel:** I want to compliment the minister before I start. Although I requested a number of ministers over an eight or nine-year period to come to Lake Wahnapiatae, he was the only one who actually came to see it and I think he was impressed with what he saw. There was a bit of a difference of opinion which I hope we have straightened out with Dr. Klugman's assistance. Someone was given the impression, because there were three other provincial parks away down the road, that there was no need for one in the immediate vicinity of Sudbury.

**Hon. Mr. Pope:** Yes. That is a misunderstanding that somebody had.

**Mr. Martel:** We did not want it just as a park for overnight but for immediate use to serve at least 45,000 to 50,000 people. Is the government at last going to proceed to put some funding in that and, if it is, when?

**Hon. Mr. Pope:** Yes.

**Mr. Martel:** You are going to put some funding in and you are going to put it in in 1985? Did the minister say 1985? I cannot read; I left my glasses behind.

**Interjection:** It could be 1984.

**Mr. Martel:** I will take 1984, too, and I will take 1985. You are saying that in 1985 we are going to have money?

**Hon. Mr. Pope:** I do not know if it will be in the spring or the fall.

**Mr. Martel:** I do not care which. Just say you are prepared to put some money in the park to start the development in 1985. The minister nods his head in the affirmative. You do not know how much yet?

**Hon. Mr. Pope:** I have an idea.

**Mr. Martel:** Are you talking about approximately \$3 million?

**Hon. Mr. Pope:** Something less than that.

**Mr. Martel:** Approximately.

**Hon. Mr. Pope:** We have looked at a number of developments. I would not predict right now the number of dollars we will spend there.

**Mr. Martel:** But you are looking at roughly \$3 million for openers? You are saying roughly \$3 million to start?

**Hon. Mr. Pope:** That is one proposal.

**Mr. Martel:** Okay, fine, thank you. The second question is on a totally unrelated subject. You will recall that a select committee a

number of years ago made a recommendation about lands held by either the forest industry or mining industry—particularly the mining industry, where some companies around Sudbury hold 250,000 acres that no one else can use—where they are not using the surface rights. For example, in Sudbury and some of the smaller municipalities, if they want a dump site they have to get permission from the mining company because it has all the surface rights.

Under the new Mining Act you brought in—I have not looked at it; I will confess that—is it your intention or is it in the act that if they are not going to use the surface, and we know where they are not using the surface, that they cannot have the sole right to that land and that somehow it can be used by the various municipalities for the sale of lots for cottage purposes and so on? That was the recommendation of an all-party select committee of 1974. I am just wondering if the government has finally resolved that.

12:30 p.m.

**Hon. Mr. Pope:** I am not sure of all of the technicalities of the issue. All I can tell you with respect to crown lands is that we are looking at other surface rights uses at different stages of development and we have clearly stated that to the mining industry in the context of the multiple-use concept we are trying to develop. I made a reference to that in the statement I made to the Legislature.

The only experience I have with respect to lands privately owned by the mining companies is in Timmins. In many instances, the impact of taxation of those lands has been that mining companies are severing off surface from mineral and allowing surface rights to return back to the municipality and, therefore become open for other uses.

I think the answer is that the Mining Act does not address the issue of surface right uses for land now privately owned by mining companies. I do not think the Mining Act addresses that issue.

**Mr. Stokes:** And it conflicts with the guidelines. You say that none of the guidelines applies on private lands.

**Hon. Mr. Pope:** Yes. But on crown lands, as we have indicated to the mining industry, we are trying to address in the Mining Act the issue of surface right uses at the same time as we are addressing bringing claims to lease and then from lease into actual title and allowing for surface right uses. That gets us into site plans

and a number of other things where tailings dams can be located, where head frame and some of the other processing facilities are going to be.

We are trying to indicate to the industry under this act that those issues of other surface right uses and the rights of people to get on to surface rights for other uses have to be addressed where they were never addressed before, namely, in the Mining Act context. But it does not solve the entire problem the 1974 report was addressing, as I understand it.

**Mr. Martel:** In Sudbury, for instance, the amount of land the two major mining companies hold is very significant. We know there is never going to be any potential for surface development on most of that land. I am not suggesting, nor did the select committee, that we would interfere where there was the potential for development. That would be ridiculous and it would be counterproductive.

But if one goes out into Valley East, which is a very fertile area, there is much land held that will never be developed on surface. I do not think the province can afford the luxury of seeing a quarter of million or a half a million acres sitting there because someone has the mineral rights. The rest of it should be utilized by the population.

That is why the select committee made the recommendation. We did not want to infringe on any development, but we are talking about some of the huge tracts held by the forest industry and, in particular, the mining industry where there is less potential for development, particularly of underground mining. All of it is underground except iron ore, I guess. There really is no necessity for that land to be held by corporations unless there is a potential for development on a spot. That is not being anti-company or anything in that sense.

**Hon. Mr. Pope:** Particularly when there is a right of entry on to the surface on 30 days' notice.

**Mr. Martel:** I think we have to have that written somewhere and the Mining Act might be the place to include that. I realize it is complex, but the select committee reported almost 10 years ago. I understand we will be revising the act in the spring session. If we do not do it now, it will be a long time before we start revising that act again. Now is the logical time to include that.

**Mr. Laughren:** We may have to have a task force on mining to sort this thing out.

**Mr. Martel:** Now is the time we should have some flexible mechanism. If we do not do it now—

**Hon. Mr. Pope:** I guess the answer is that we have gone part way but not as far as you would like. Because of the private property issue, I can explore that between now and the next session and see what the response is.

**Mr. Martel:** I think that would be worth while, but I think most of them realize they do not need all of that surface.

**Mr. Laughren:** Will you allow a supplementary on that, Mr. Chairman?

**The Acting Chairman:** If your partner will allow it.

**Mr. Laughren:** Do you still feel that it is not necessary to have any kind of public participation on that new Mining Act? Do you feel it is too restricted to the mining industry? Could you do that before a standing committee?

**Hon. Mr. Pope:** I guess I am not an expert on the history of this stuff, but it seems to me it has been out there since 1973 and there have been all sorts of reports made and committees working on it. It seems that within that 10-year process there has been quite a bit said. In fact, the trend has been drifting back and forth between massive changes and minor changes all the way through the system.

My feeling is that there has been quite a bit of consultation. I have already been contacted by some groups that have an interest other than directly in mining. They are preparing comments on the Mining Act, on its potential impact and other resource uses or other expectations from the land base.

**Mr. Laughren:** The reason I ask is that it is a massive document and it touches an enormous number of people one way or another. It is significant to the revenues of the province, to development in the north. It is a major—

**The Acting Chairman :** That is a second supplementary, Mr. Laughren. Mr. Martel has the floor.

**Mr. Laughren:** No, he is finished.

**Mr. Martel:** Never.

**Hon. Mr. Pope:** I guess the answer is that I would like to bring it back in. I think there will be a lot of public comment. I have been told by the mining municipalities, by FONOM, by AWL and a number of other groups that they will be making comments on it.

**Mr. Martel:** Do you know the group that is not well briefed? As you are changing the act,

the people that are going to finally approve it are the members of the Legislature and they have not been involved in the process. That is very technical and it is really comprehensive. We as members do not know what the ministry has received. We do not know the opinions of other people.

One of the difficulties is that we could sit down with the mining association—I am sure that they would meet with us, at least our caucus—and go through it, but we do not know what the other people are saying. It is a real problem when you are approving an act that is going to be the basis of mining in Ontario.

**Mr. Laughren:** I started to read it. Boy, oh boy.

**Hon. Mr. Pope:** I know. We had enough trouble drafting it. I am prepared to file in the House or by whatever mechanism the comments I receive between now and reintroduction. I do not have any problems with that. You can come over and go through it. I can file it in the House or whatever you prefer.

**Mr. Stokes:** Dealing both with land tenure and land use?

**Hon. Mr. Pope:** The mining industry, for instance, wants primacy of the Mining Act over the Planning Act and wants some declaration in there of the right to mine. There are a number of issues that are going to come up. We have already received some indications from other groups that they want to make some written submissions. I have no problems in filing them or doing something to make them available.

**Mr. Martel:** It is such an important piece of legislation for the future of Ontario that I think you should really consider it.

**The Acting Chairman:** Are you finished?

**Mr. Martel:** Yes.

12:40 p.m.

**Mr. Riddell:** Mr. Chairman, before I raise a matter or two, I want first to thank the minister for his co-operative spirit, which he usually shows whenever he is approached by a member of the Legislature with problems or when he is approached about seeing delegations from the various ridings in Ontario. I know he was agreeable to meeting with the commercial fishermen in my riding who fish on Lake Huron. We came away from that meeting feeling that we had a very fair hearing.

I am pleased that my colleague the member for Haldimand-Norfolk (Mr. G. I. Miller) has entered into rather detailed discussions on the

problems that the commercial fishermen are having with the proposed quota policy of the minister. I am sure the minister will be taking those concerns into consideration before we find that many of our commercial fishermen are knocked right out of the business.

The member for Algoma-Manitoulin (Mr. Lane) spoke in general terms about land use on Manitoulin Island. I want to deal with that in slightly more specific terms, and even the acting chairman may wish to have some input into this issue.

I have just returned from a hunting trip on Manitoulin Island. I talked to George Purvis, who operates what I suppose is one of the largest commercial fishery operations in the province. George told me that the Ontario Paper Co. has made application for the rezoning of the land in the western townships of Manitoulin Island. The reason they are asking for rezoning is that they intend to establish a quarry.

If that happens, I understand, there will be hundreds of acres in the western townships of Manitoulin Island that will be denuded of trees. George Purvis told me it could even mean the demise of his fishery, which would mean there would be somewhere in the neighbourhood of 35 employees out of a job.

You might say, minister, that there is a conflict of interest here. There is no question that I have a personal interest in this, because I happen to be part owner of 200 acres in the Belanger Bay area, which we use for hunting and fishing and which we use as a cottage atmosphere for our families in the summertime.

If this quarry is established, all these cottages and hunting camps will likely be wiped out. I can think of a number right in our general area. There is the Kinnear Camp, the Emery Camp, the Elliot Camp, the Orangeville Camp and the Mousseau Camp, which I am connected with. These will no longer continue to exist if OP gets its way and is able to establish this quarry.

I am wondering whether the minister is aware of OP's intentions. What procedure does this whole matter have to go through before OP would ever be granted permission to establish a quarry?

I am wondering what the minister's feelings are about such a quarry, considering the fact that there are many tourists from Ontario and elsewhere who make excursions to Manitoulin Island. They love to get on the Chi-Cheemaun and go for a ride. They love to travel around Manitoulin Island. Many go there in the fall

when the trees are turning colour. They travel around Manitoulin Island feeling it is a great place for sightseeing and for spending a few days.

I am afraid that if we are going to denude part of the island of trees for a quarry it is going to have an effect on those people who want to visit that island and even spend time, both in the summer and winter, enjoying the environment and the sports in which they can participate. I would like to get the minister's feeling on this.

**Mr. Stokes:** The province was going to buy that as a park at one time.

**Mr. Riddell:** Yes. I am wondering what has happened there. It was to be turned into a wilderness park, as I understand it, but we have not heard any more about that. We were quite surprised to hear from George Purvis that Ontario Paper Co. had gone ahead and made application to rezone the land in western Manitoulin Island to establish a quarry. Could you enlighten me on this?

**Mr. Lane:** My colleague has raised a very important issue. There are some concerns beyond Mr. Purvis's concern, and my friend has already put several of those on the table. I have been involved in this for about 20 years since Ontario Paper moved off Manitoulin Island. I have been trying to get those 80,000 acres into the ministry's control so we could have some land management uses, some timbering operations and so forth. However, it has not happened, basically because Ontario Paper does not want to sell it. That is why it has not happened, as far as I know. Certainly we tried on several occasions.

Getting back to this application for a quarry, we already have a quarry on the west end owned by some people from southern Ontario. It provides about 35 jobs and is not causing any environmental problems. We need the jobs and we appreciate that it is located in an area where it is not causing any environmental problems. I would hope the application that Ontario Paper is making—I think Mr. Riddell is right; they are making application to do this—would have to go through an environmental hearing and people like you and I and others would have the right to input.

In any case, I do not see any need to strip any amount of acreage to have a quarry. There is a great depth of rock there—40 feet—and it would not cover a very large area over a long time.

Again, I know what I read in the newspapers. I know there is some concern about it. I am

concerned about it, and Mr. Purvis is concerned about it. There is no question about that. I would hope that all of those concerns would be heard in an environmental hearing. In any case, the minister will have more answers than I have. I have concerns. That is all I want to say.

**Mr. Riddell:** Before the minister answers, my friend alluded to a quarry already in operation in the Meldrum Bay area. It is my understanding that quarry is not functioning too well; it is not operating at a very high capacity. If they are not making full use of that quarry, why do they have to establish another quarry farther south of Meldrum Bay?

**Hon. Mr. Pope:** Who has the Meldrum Bay one?

**Mr. Lane:** Manitoulin Dolomite Inc. I would assume they would say the same thing: they can handle all the business; so why have somebody else in competition with them? However, it is a free enterprise country. If Ontario Paper wants to go into the business, that is its privilege.

Manitoulin Dolomite, by the way, is doing reasonably well with the help of the ministry and others. They employ 35 people. They have opened up some new markets in the United States, and I think they are doing reasonably well. They are not, as I say, polluting the area or causing any problems with the beauty of the area.

**Mr. Riddell:** According to George Purvis, it would mean that a large part of the townships in Manitoulin Island would be stripped of trees for that quarry. He said it would have a major impact on the operation of his fishery to the point where he might have to close it down. That probably would mean fewer people employed than there would be if a quarry were started.

**Mr. Lane:** I am not speaking on behalf of the quarry at all. I have concerns the same as you have.

**Mr. Riddell:** Maybe the minister could comment.

**Mr. Lane:** The minister is going to answer the question. It was not asked of me.

12:50 p.m.

**Mr. Laughren:** Is the local member for the quarry or is he against the quarry?

**Mr. Lane:** I support any industry that is not going to do any harm and is going to provide some jobs.

**Mr. Laughren:** Okay, because I am getting calls.

**Mr. Lane:** I am sure you are. I will call you tomorrow morning.

**Mr. Chairman:** You have relatives on the island, do you?

**Mr. Laughren:** No.

**Mr. Chairman:** Minister, would you like to respond? You have given enough responses outside of your jurisdiction.

**Hon. Mr. Pope:** First, I think Mr. Purvis is overreacting. The Foundation of Aggregate Studies is going to be very upset with this. They take the position that all the gravel should be extracted from northern Ontario and are now being told that northern Ontarians are going to have the nerve to object to this. The Pits and Quarries Control Act is a piece of legislation that you are well aware of, and to think that the people of northern Ontario might object is a fairly staggering fact for the foundation to accept.

Anyway, contrary to their belief, if it is there it does not mean it is excavated.

**Mr. J. A. Reed:** I will have to phone them and find out if they really believe that.

**Hon. Mr. Pope:** They said it to me in my office, and I had to tell them where I was from. They could not believe it.

The application process is that they would have to go through an official plan amendment and a zoning bylaw change from the Manitoulin official plan. The objections would be heard. At the same time, we probably would also have an Ontario Municipal Board hearing under the Pits and Quarries Control Act. The OMB would therefore look at impact.

First, they would look at a site plan and whether you would need to strip that much land for the operation of a quarry. They would look at the depth of the deposit. They would look at the impact on adjacent uses. If there were any potential impact, for instance, on the shoal—which I think is what you are getting at, the shoal area in the channel—certainly that would be one of the major issues that we would provide information to the board on; no doubt Mr. Purvis would also provide information to the board on that. This could have an impact either on the site development plan or on the issuance of the permit itself.

I think that during this process, under both the Pits and Quarries Control Act and under the Planning Act, there is going to be a lot of opportunity to make comment. We would provide information to the tribunal when it is trying to make its decision. As I say, they could

recommend that the permit not be issued, or they could recommend that it be issued with conditions with respect to the site plan or with respect to other limits that should be placed on a wide-open operation.

I am not aware of all the details other than what John mentioned to me last week, but I hope that once the process proceeds all these issues will get out in front of the OMB. There is no process of immediately issuing a permit under the act without that kind of a hearing when there have been objections; so I think Mr. Purvis would get his chance.

Also, I would assume that our offices would be examining the proposal, because normally the applications are filed with us in the local office and the field staff would look at its impact on other resource uses as well.

**Mr. Riddell:** If this proposed development were challenged every step of the way, how many years would we be looking at before it could possibly become reality?

**Hon. Mr. Pope:** I wish I could answer that. I cannot. It depends on the schedule of OMB hearings, how long it takes to go through the local planning processes and the Ministry of Municipal Affairs and Housing processes. I do not think you are looking at an operation in the next summer, in any event. I would doubt it.

**Mr. Riddell:** If the land owners refuse to sell their land for the development of a quarry, what happens then? There is no such thing as anyone expropriating land other than the Ontario government?

**Hon. Mr. Pope:** No. In fact, Ontario Paper could not submit a zoning bylaw or an official plan amendment unless they owned the land. I think you have to own the land to apply for a rezoning of it, unless you are a municipality.

**Mr. J. A. Reed:** Sales are made conditionally in the real estate business. There could be a conditional purchaser, based on a zoning change.

**Hon. Mr. Pope:** That is true, but if they did not sign a conditional purchase, if they just refused to get involved in it and had not signed any documents, then there would be no way that OP could carry on with the proposal.

**Mr. Riddell:** There is no question that OP owns a lot of land there, but by the same token there is a private entrepreneur by the name of Bill Smith, I think it is, who also owns a large tract of land, and then there are those hunting camps, such as our own, which also own quite substantial acreage. I know the hunters are not prepared to sell their land for such a develop-

ment, and they said to me: "What happens if we simply hold out? Are they going to be able to grab the land anyway?" My response was that there was no way; only governments can expropriate.

**Hon. Mr. Pope:** There wouldn't be any way.

**Mr. Lane:** I think the main problem with Mr. Purvis and the Ontario Paper Co. is that he does not want them to do what they want to do on the site they want to do it on. They have lots of land that is not going to interfere with anybody. But there are conflicting interests on the site where he is fishing and where they want to do their quarrying.

He has already advised them that he is going to be objecting to any application they make. They are fully aware of that, and I think it will all work out. I am sure my friend is right; no local land owner is going to sell his land for this purpose, because he is going to keep it for hunting and for a cottage.

**Mr. Riddell:** I am personally hoping that Mr. Purvis is a very influential person on Manitoulin Island.

**Mr. Lane:** He is.

**Mr. Riddell:** I was also hoping he would have the support of his member, but I am just not convinced that he is going to in connection with this matter.

**Mr. Lane:** We are going to save Manitoulin for all of the people. We could also have a quarry there, too.

**Mr. Riddell:** The only other matter I want to raise is, would it not be possible to keep the Chi-Cheemaun operating until after the hunting season, recognizing the fact that there are quite a number of people, not only from Ontario or Canada but also from the United States, who are making that trip up there every fall to hunt deer? As it is now, we have to take the long way around, which is almost a day's trip, to get to Manitoulin Island, whereas in my own case it takes about three hours to get to Tobermory, another hour and a half to get across in the boat, maybe another hour to get into the hunting camp and you are there.

I am not raising this for my own personal interest. I have been asked by a number of hunters in that area why it is that the Chi-Cheemaun could not be kept in operation until after the hunting season and then be put in its sleeping quarters for the winter at, I believe, Owen Sound.

**Hon. Mr. Pope:** I am aware that, on occasion,

distinguished Ontarians travel on that boat during hunting season.

**Mr. J. A. Reed:** If you were not before, you are now.

**Mr. Riddell:** Thank you very much, too, for the reservations you made for me.

**Mr. Stokes:** Did the minister get a hind quarter?

**Mr. Riddell:** We are going to have to see to it.

**Hon. Mr. Pope:** It is under the Ministry of Northern Affairs. I presume it relates to traffic. All I can promise you is that I will raise it with them and see whether there could be a change in policy to accommodate the hunters. Some of your confrères might want to raise it in letter form to Mr. Bernier as well to draw to his attention to that.

**Mr. Laughren:** Do you take reservations at any other facilities?

**Hon. Mr. Pope:** Sure.

**Mr. Laughren:** At Minaki?

**Hon. Mr. Pope:** You want me to go in the Kenora district, do you?

**Mr. Chairman:** When does the Chi-Cheemaun go out of service now?

**Mr. Riddell:** The weekend after Thanksgiving weekend.

**Mr. Chairman:** Thanksgiving weekend and one more weekend; is that right?

**Mr. Riddell:** Yes. I believe it is docked at Owen Sound, is it not, for the wintertime?

**Hon. Mr. Pope:** I think so.

1 p.m.

**Mr. Riddell:** I believe it was treacherous waters they were a little concerned about, but even at that time of year I think it is still fairly smooth sailing. There are generally no ice conditions. Or maybe it is a matter of economics; I don't know. To see the number of cars, trucks, vans and what not that come out of that area after the hunt is over with, it is just unbelievable the number of hunters that actually go to that island every year.

**Hon. Mr. Pope:** All I can promise is that I will raise it with the Minister of Northern Affairs (Mr. Bernier) and see what his response is.

**Mr. Riddell:** I appreciate that and I think that is all I have at this time, Mr. Chairman.

**Mr. Stokes:** I think we sort of agreed we would start into forestry at one o'clock, but—

**Mr. Chairman:** Yours is the last name on the list.

**Mr. Stokes:** Okay, fine.

Without getting into any great detail, the minister will know the problems we have been having and the anxiety expressed by a lot of people, not only native people but people down here, who think they have a responsibility to speak out on behalf of our first citizens. I am speaking about wild rice policy. I am not going to go into all the details we have been over. I want to know what the situation is since the moratorium time period has expired. I do not think there has been a statement made by the minister about the future.

The minister will also know that every time Peat Resources of Ontario sends a letter out, I get a copy of it. It has caused me, on occasion, to intercede on their behalf, trying to illicit what they would like to see as a peat policy for Ontario.

They have been dealing with Mr. Kertson of your office with regard to quarry permits and it is hard to put a finger on what is a peat policy for the province in terms of this being the only company that is really advanced far enough that it thinks it might be able to undertake a viable commercial enterprise. I think it is time generally that we had a statement from the ministry with regard to peat policy.

The final thing I would like to mention—and I don't want to take the time of the committee—is a letter to the minister that was published in the Windsor Star by John Coleman from the press gallery here. He was very concerned about the experience he had on a flying fishing trip up north—I believe it was in the minister's riding of Cochrane North. He said he had not had a response to that. He was trying to act in a responsible way as he had done when fishing up in the Nakina area, but the pilot who was operating the plane would not let him bring out the garbage. I am sure that you people don't condone that. In fact, you insist that you leave nothing behind but your footprints.

Some of this is the responsibility of Tourism and Recreation which is responsible for licensing. Nevertheless, the way in which hunters and fly-in fishermen treat crown lands and bring their garbage out is being thwarted by some of these air carriers who say, "I don't want that dirty garbage in my plane." Well, there is no other way to get it out. That is almost a condition of the licence, a condition of operation, that you bring out the garbage.

I don't want to take up any more time, but—

would you respond just briefly to Mr. Coleman's concerns and briefly on peat policy and where we are with regard to wild rice?

**Hon. Mr. Pope:** With respect to wild rice, Mr. Justice Hartt has agreed to be the mediator in the issue. We exchanged legal opinions with respect to whether or not the Paypom document gave a treaty right to harvest wild rice and, secondly, whether or not that right was exclusive to the Indian people. Both of these are very important issues for the government to deal with.

The opinion of the lawyers representing the interests of the Indian people addressed itself to whether or not there was a right given under treaty, but not to whether or not it was an exclusive right, so it remains unresolved in their own minds.

Both sides have been preparing positions. We have indicated in the interim we are prepared to give site-specific licences to bands. In fact, in a couple of instances, I believe those kinds of licences are available to be issued, but we do not think we should issue them unless Mr. Justice Hartt indicates that is acceptable because it might undermine his mediation efforts. I think there are mediation talks scheduled soon, I recall reading about it a couple of weeks ago in some briefing notes. We would hope we would be meeting over January and February on the issue.

My own feeling personally—and that is not the government policy—is that if we could proceed to allocate the site-specific licences to the bands based on their perception of traditional harvesting areas, the issue may resolve itself. It may if we can establish some stability and some continuity in licensing, if we do not lay out the spectre that we could issue a licence and next year it would be cancelled. There is also a need, I believe, to develop a number of dikes and pumping stations on a site-specific basis to increase the productivity of the wild rice areas.

That will require a commitment over an extended period of time from the federal government and the provincial government to the Indian people and it cannot be undermined by having a licence lapse. Somehow we have to address that issue in our own licensing procedure, which we are trying to do now.

I cannot predict the outcome of the mediation efforts. I would hope they would be expeditious, but I have no guarantee of that. I would hope we can re-establish Ontario's position in wild rice harvesting in North America because we have lost some considerable ground to

Minnesota, California, Oregon and a number of other states in the midwest and also to Manitoba and Saskatchewan. I think we have to get going.

We have to come to, if not a legal agreement or a constitutional agreement, at least an operating understanding that will let us get areas back into production again. I always get lost in operational understanding versus constitutional issues. Someone other than I will probably put that together, but I think our goal as a ministry should be to get areas back into production in some way that involves the Indian people and looks at other parts of the province because similar issues exist there.

In Mud Lake we had the Indian people, the Metis and the original settlers all claiming aboriginal rights to harvest the rice, based on the legal concept of profits à prendre.

**Mr. Stokes:** Say that again?

**Hon. Mr. Pope:** Profits à prendre. It is a common law right to take the profit from the resource and is based on custom and initial development.

**Mr. J. A. Reed:** We have learned a new word today.

**Hon. Mr. Pope:** Now you know why we have trouble on these issues.

It is based on medieval common law rights that have been incorporated by reference through a number of our statutes and it has caused us some substantial difficulties not only with the status Indian people, but with others who claim some initial work was done by their ancestors to develop a resource and that they have an ancestral right to take from the profits of that work.

**Mr. Riddell:** I have a very fundamental supplementary.

**Mr. Chairman:** A very brief supplementary. 1:10 p.m.

**Mr. Riddell:** Mr. Stokes mentioned concerns he had about a fishing experience. I have a concern I think you should look into. I feel that if you open up the hunting season in southern Ontario, you should ban the use of SSGs in shotguns. The number of deer that are being wounded with SSGs and left to die in the woodlots is unbelievable. I know for a fact that in the area in 85C and 85B, down in my part of the country, after the hunt was over, Ontario Hydro went through and found at least eight deer that had been wounded with SSGs and simply left to die in the woodlot.

I would personally like to see even slugs

banned in shotguns and only the use permitted of, say, black powder guns which have a lot longer range than a shotgun and will kill a deer. SSGs may consist of about 12 pellets. When they are fired at a distance, the pellets will maybe hit the deer someplace, but they will not kill it instantly though the deer will inevitably die.

I think you should look at this. If you are going to have hunting down in southern Ontario, I really think these SSGs should be banned. As I say, I would even ban shotguns and stick strictly to, say, bows and arrows or black powder guns.

**Hon. Mr. Pope:** All I can say in response to that is that we could consider it. I cannot tell you that we have a policy to have those kinds of restrictions in place at this time. I will just have to acknowledge the point you have made.

With respect to peat, the conflict over the issuance of licences of occupation was not between the staff and Peat Resources, it was my decision. It was my decision because we had licensed certain areas for development on the basis of a program proposal that had been put to us by Peat Resources. We found that over a two-year period no one had entered upon the lands or done any work on them. Therefore, we felt the lands were just being held without the developer living up to his proposal.

I wanted to send a message that we were not prepared to tie up peat bogs and not have work being done on them, that we would allow licences and permits to lapse and not be renewed if we were not convinced that there was a legitimate intent to spend some money on developing them. That was my decision and not the staff decision that was made in that case.

We got assurances from Peat Resources that they were serious, that they had had a few initial startup problems and that they would be putting some time and effort into work on the specific bogs, so we reissued three of the permits.

We do welcome Peat Resources' interest. We are aware that they have a public offering so that they can elicit public funds through share purchase to carry on their activities. We think that is good, but we do not think it appropriate at this time, however, virtually to license all of the peat bogs in Ontario. That is where we stand right now on that issue.

I think Peat Resources feels a little better and that it has a little clearer understanding of where we are headed on that issue. I do welcome their interest and I know they are one of the few really prepared to take the bull by the horns and

go at it. Therefore, I think we have to support them and that is why we reissued the permits.

In regard to Mr. Coleman's article, I did not receive a letter, but I read the article. Whether it was his way of writing to me or not, I am not sure. As I understand it, this particular operator flies people into his camp and there is no reason for him not to fly out the refuse or to make arrangements for it. In view of the state of that camp, I suspect he is going to have some trouble marketing it in the coming years and will feel the economic consequences of his actions.

We do have some long-term concerns about garbage in the bush, not only on sites but also in ad hoc temporary camps. I wish there was an easy answer to it. In reality, there is not. We do not have the personnel to go around.

**Mr. Stokes:** No. But should it not be a condition of the licence to operate a tourist facility and of the tenure that these people are responsible? Should it not be a condition of the licence that they leave the site the way they found it and fly out the garbage? That is the way it happens in most areas, but this chap simply said, "No, I do not want this fouling up my aircraft," and refused to allow the people to bring out their garbage.

**Hon. Mr. Pope:** The problem with garbage and the lack of caring about the land on which people camp or which they use for hunting or fishing activities led us to embark on a pilot project in northwestern Ontario with respect to crown land camping to restrict nonresidents to designated campsites.

The message we are trying to send out is that if this kind of activity continues, we will expand the program and will include more than nonresidents in it, because we simply do not have the resources to run around after everyone who camps on crown land to make sure he has picked up his garbage. Having said that, with respect to land use permits and with cottage developments that will take place in the future, we think it is important that the issue of garbage disposal be dealt with up front.

One of the problems I personally had with cottage subdivisions and development is that we never settled up front and in writing, in black and white for everybody, who would pay for the road construction, road maintenance, garbage, selection of a garbage disposal site and who would be paid to maintain it. None of these issues was ever dealt with up front and it all became scrambled. Everyone was arguing about who was financially responsible, what the qual-

ity of the maintenance and upkeep should be and all of these issues.

I think you are right. The answer is to have the requirements up front in the documentation in one form or another. I think that is the way we are headed. Certainly, it is one of the reasons, among others, I postponed any additional allocation of cottage lots for the last two years. Other reasons involved too much frontage development as a percentage basis in lake areas and a number of other environmental problems that I thought we were creating. I guess the answer is that we are looking at some improvement in that system and that some notice be given that there will be some requirements with respect to garbage disposal.

I do not think that solves Mr. Coleman's problem, but I think if there is more publicity given to this kind of activity, it is going to have an economic impact on those kinds of operators.

**Mr. Chairman:** Perhaps, since the minister is out of the room for a moment, we can carry the first three votes before we move into the resource products program, which was what we were going to do at about this hour.

Item 1 agreed to.

Items 2 to 9, inclusive, agreed to.

Vote 2501 agreed to.

Vote 2502 agreed to.

Supplementaries on vote 2502 agreed to.

Vote 2503 agreed to.

Supplementaries on vote 2503 agreed to.

On vote 2504, resource products program; item 1, mineral management:

**Mr. Chairman:** We decided to spend a considerable amount of time on this. While the minister is out, perhaps I could line up a few speakers here.

**Mr. J. A. Reed:** Mr. Chairman, shall I wait until the minister returns?

**Mr. Chairman:** I imagine he will be back in a moment.

1:20 p.m.

**Mr. J. A. Reed:** My comments will not be too time-consuming, I promise. We are getting on to the subject of forest resources, and perhaps I could begin by saying that in your backgrounder on land use guidelines, you made a statement that I thought was rather significant. You stated:

"This has led the ministry to conclude that although a tight supply situation will exist in the forest industry, by the turn of the century the

situation is fully manageable through appropriate strategies."

That raises a whole list of questions, and I am going to ask the questions. I hope the minister will be able to table the appropriate information if he is not able to answer specifically, because I know there is a lot involved.

I wonder whether the minister knows the source of the information or the figures connected with that statement. How did the ministry arrive at that conclusion? What specific sets of figures could we refer to that would allow us to look at the way in which that statement was arrived at?

I would also like to ask the minister whether there is a more recent report on wasteful cutting practices than the 1980-81 report. The most recent report was intriguing to say the least, because there is a provision for penalties for wasteful cutting practices in the act. It has been exercised. In the 1979-80 report, for instance, we have some of the largest forest resource companies—here is one, fined \$497.68 for not utilizing merchantable logs and leaving merchantable trees. In 1981, we had one fined \$54.40 for leaving high stumps and not utilizing merchantable logs.

One wonders whether penalties of this nature provide any sort of deterrent whatsoever in terms of countering wasteful cutting practices. I am no expert on what constitutes wasteful cutting in those kinds of large-scale situations, but it seems to me that the kinds of penalties you are imposing certainly had no bearing whatsoever on the cost, not only to the taxpayer but also to the future timber industry.

I would like to ask the minister whether there is a more recent report on penalties imposed under the Crown Timber Act for wasteful cutting practices and whether he would be prepared to table that. I would also like to know whether the penalties now being imposed have a truer reflection of just what the cost of wasteful cutting practices really are.

I asked a question some time ago on the order paper about a review that was ordered by the minister—gosh, this is dated 1982—and I assume the minister has that report on forest utilization practices in his hands now. To this date, I do not know that he has made that report public. Would he be prepared to do that? I am referring to the report on wasteful cutting practices.

I realize the whole subject of forest utilization is a very broad area, and I cannot speak with the expertise of some of the other members, so I will have to confine my remarks to some of the more

specific areas. It seems to me that forest waste, or that which has been considered waste historically, is one of the areas we can tackle as a challenge and as a very positive prospect for economic gain in the province.

For instance, I have been told, at least by the forest industry, that slash left on the forest floor is considered to have a negative value. But I also know that one of the reasons for the gap in reforestation in the province is the existence of that very slash. The technique of backfiring, or whatever you call the controlled burns that formerly were used and unfortunately resulted in tragedy a few years ago, was one of the techniques used for laying the land bare.

I would like to know what the ministry's attitude is towards expanding the opportunities for the utilization of that waste, the stuff that is currently being left behind.

When I had the honour of being the Energy critic for the official opposition, we did some work on the possibilities of utilizing that waste as an energy source. Indeed, in northern Ontario there is some limited use of mill waste and so on at present as an energy source. But the efforts to this point have been nominal, to say the least.

There has been a reduced interest since the world petroleum situation stabilized out, I suspect, and we have tended to crawl back into the hole and hibernate once again in a sincere effort to move ahead. Yet in some of these cases, we found there is an economic upside to them. In fact, some of these approaches appear to be economically viable, either now or in the very near future. If one considers the added benefit, not only of utilization but also of removing much of this waste from the forest floor so that reforestation can get under way in these areas immediately, it seems to me that it has to be considered in a most meaningful way.

What is the ministry doing now about the utilization of waste and the economic opportunities that it may present? Whether they are slightly negative or neutral, or slightly positive, or whatever they happen to be, surely the opportunities are there.

I would also ask the minister, notwithstanding the forest management agreements he is proceeding with and his expectation for the future of having the major forest utilization companies under the forest management agreements, what about the backfall? What about the gap that seems to be increasing—if figures given to me have any relation to accuracy—by more than 100,000 acres every year of actual shortfall in terms of reforestation?

Forest management agreements are okay in themselves, but it is this catchup of the shortfall of unregenerated areas that is of very deep concern and the fact that the total gap is not narrowing at present but still appears to be widening. What kind of increased effort in reforestation is being undertaken to ensure that this gap closes?

**1:30 p.m.**

I am sure the minister agrees that the forest industry sits very much at the crossroads right now. The opportunity for it to be maintained as one of the major economic industries in the province is still there, in my view, and I think we have the chance provided we take the steps. I am not so optimistic about the future unless we greatly intensify our efforts to close the gaps and look after the errors that were obviously made in the past.

Those are the basic comments I would like to make. I know there are a lot of other areas to cover on this subject, but those are the ones that concern me most directly.

**Hon. Mr. Pope:** Mr. Chairman, the issue with respect to tight but manageable supplies relates not necessarily as much to the existence of timber but to its economic availability—getting access to mature and overmature stands through a forest access road system. It also relates to the potential diminution of that supply from fire, insects and disease, and it relates to the economics associated with distance from mills.

Those are some of the issues that were addressed in land use planning and some of the issues that have been addressed by many people over the past number of years. We still maintain that from our discussions in the ministry—looking at annual available wood supply and the deductions from the annual available wood supply by a number of mechanisms—a one and a half per cent reduction because of parks is minimal in comparison to the 17 per cent reduction for fire losses on an annual five-year average basis, and significant losses, much more significant than parks, to disease and infestation.

Therefore, it is appropriate to address those potential losses from the annual available wood supply in priority to not setting aside areas for parks. That was the thinking that went into the process we referred to in the land use planning documents.

By the way, the initiatives we have undertaken in the past few years with respect to lightning detectors, a national forest firefighting centre, acquisition of the CL-215s on top of the leases of

the Cansos and the application of pesticides and herbicides over the past couple of years—including in my own riding—were partly to control those kinds of losses.

We think we can have a much greater impact on available wood for our industry by addressing those issues, as opposed to not putting parks into parks categories. When we looked at all those issues, in juxtaposition to setting aside land for parks, we opted for the parks.

In any event, we are not persuaded that you can do a cost-benefit analysis of impact when you are comparing wood that can be processed at a mill and sold on the market with basic ecological sites that have to be protected. How do you value those sites?

That was why we acknowledged the cost-benefit arguments of the forest parks industry but thought that was not the only criterion we had to look at in setting aside lands for parks. We had to look at some intrinsic value of the land and its biological, botanical and geological features. That had to be put into the equation as well as cost benefits.

**Mr. J. A. Reed:** I appreciate your comments on the parks. I did not mention parks at all in my comments. I do not know whether you were intending to answer my questions, or whether you are making a general statement there.

**Hon. Mr. Pope:** A speech.

**Mr. Laughren:** Like a wind-up doll.

**Hon. Mr. Pope:** We examined wood supply in the context of those other uses.

**Mr. Stokes:** From flexibility to obfuscation.

**Mr. Chairman:** You have got me today.

**Hon. Mr. Pope:** I think my friend the member for Nickel Belt has the penalties imposed under the Crown Timber Act, by licensee, for 1982-83. I can give these to you. You were asking for an update.

**Mr. Laughren:** You tabled that very quietly.

**Hon. Mr. Pope:** I table lots of information. I tabled all the land use plans quietly. As a matter of fact, you objected twice to being on the mailing list.

**Mr. Laughren:** That was a difficult decision.

**Hon. Mr. Pope:** Anyway, those will give you an update on the penalties.

**Mr. J. A. Reed:** Thank you very much. Just in passing, this tabled report on wasteful cutting practices and penalties does not outline anything about the reasons why the penalty was imposed. Your last report does outline the reasons.

**Hon. Mr. Pope:** All the things that are contained in the last report would be the kinds of things for which we would impose penalties under this. There is a standard formula. I do not get involved in it; there is no ministerial discretion. We use the field standard, whatever that may be, for wasteful practices.

**Mr. J. A. Reed:** It would be most beneficial to be able to find out whether the penalties reported in the 1979-80 report caused those companies to desist from making the same errors that are showing up in this report. The only way we are going to know is if we have some explanation of what happened.

**Hon. Mr. Pope:** The local contractors who are employed from time to time will create some problems. The companies themselves directly will create some problems with their own cutting crews. In my opinion, it is errors of supervision in the field. It is hard for me to determine that, but we do impose the penalties, and that is what you were after.

Yes, I have had some advice with respect to wasteful practices and utilization. Information was given to me in the form of a report. We are preparing a response. We are looking at a number of options, including changes in the regulations. We are looking at some notations on licences. We are looking at some relationship between wasteful practices and utilization and crown charges, per stumpage charges or crown dues, and a number of options in terms of credits or debits.

As soon as we have finalized the regulations, I think you will see that we have tried to seriously address the issue and change the existing policy. We just have not completed that exercise at this point. We have had staff prepare a number of options for my consideration.

We have been working on it lately to try to bring in the regulations and the other policies that we think are required to deal with wasteful cutting practices in Ontario. I have stated my feeling on this to the industry as well as publicly on a number of occasions.

Slash does not necessarily have a negative value. As a result of site preparation and financial incentives in forest management agreements, I understand that Abitibi-Price Inc.—and I think we discussed this a couple of nights ago—has found it appropriate to get involved in whole-tree cutting and harvesting practices, reducing the amount of slash in the bush. It finds that it gains from the structure of the forest management agreement. From the funding formulas in the FMA, it gains financially by taking

out the whole trees to a central site. We think there are some incentives to improve that performance.

**1:40 p.m.**

It is not universal. Some of the other companies are starting to recognize it and talk about it, but we are hoping that more and more operators are going to recognize the incentives involved and make that decision. The consequences of that will be less slash around in the bush to interfere or cause hazard, and companies will start to consider how to use this because it is located in a central accessible place.

We think there are lots of opportunities for the use of waste wood. First, we think whole tree chipping from many species is the way to go. It has been used in a number of jurisdictions in the southern states and in other provinces of Canada.

We also see other energy uses for the waste. We have two BioShell Inc. plants now, one in Hearst and one in Iroquois Falls, that supply product. I know for a fact that McChesney Lumber was experimenting with its waste wood and attempting to use it as a fuel source. They had some environmental problems with respect to air pollution, which led to the program falling by the wayside. They are now, unfortunately, taking the wood waste to a landfill site in the municipality, which I find wasteful, to say the least. It is the net effect of the problems they had with environmental concerns in the municipality.

We hope we can get the technology in place with the high temperature burn, but it calls for capital investment. It has to be thrown into the equation. I would prefer to see energy use as opposed to landfill as a logical use.

**Mr. Stokes:** Why is it a problem for McChesney when it is not a problem for BioShell?

**Hon. Mr. Pope:** Even with the technology they had—I cannot remember all of this, but there was a gas-fire burner and they got a new one—it still was not efficient enough. It caused air pollution problems, smoke, dirt and what not. The McChesney mill is adjacent to the two major high schools in the community as well as to a bunch of senior citizen residences and the Golden Manor home for the aged.

The community felt that kind of pollution impact could not be supported. The Ministry of the Environment felt that even with this new technology, this high-temperature burner, they were still exceeding the environmental limits. They just could not work out the technology.

**Mr. Stokes:** It was a matter of location more than anything else.

**Hon. Mr. Pope:** I guess you are right. I cannot recall all of it. I am just speaking from memory now, but three or four years ago I recall all of this taking place in Timmins. On occasion there has been that kind of an attempt to solve the waste disposal problem by opting for energy uses, which I think is still the way to go.

**Mr. J. A. Reed:** We know that it is happening in some cases, and I have toured companies that are, for instance, generating electricity by using hog fuel and so on. I am well aware of that. What I am trying to get at here is what efforts are being made to enhance that?

For instance, I know that Great Lakes Forest Products Ltd. in Thunder Bay would be capable of and desire to generate more electricity than they now are if they could just make a deal with Ontario Hydro.

**Hon. Mr. Pope:** Passing on through that one, we have been involved in a couple of projects as an offshoot of the hybrid poplar program in eastern Ontario that relates wood availability to energy use. Kemptville College of Agricultural Technology and Grenville Christian College are two examples where we got involved in co-sponsoring these programs and getting in place some financial assistance as well as wood supply so that these institutions could use wood for energy purposes.

I understand that Lakehead University under our cosponsorship is doing a program on energy use. There are a few things we are trying to do. Bioshell has had some market problems—no doubt about it—because of the mills and the shutdowns it has had. I still think the Bioshell type of operation is efficient and effective.

Because of the substantial hardwood surplus in eastern Ontario, we have also had at least two specific applications for the use of hardwoods for methanol and ethanol plants. That seems to be progressing through a variety of channels and through a number of arguments. We have indicated that should they get their act in order we are prepared to make an allocation of hardwood surplus to those kinds of industries for that kind of product development.

How far they are going and how fast they are going is something I am not aware of. I just know they have been in to see me a couple of times and we have indicated we are willing to deal with them in terms of allocation of wood. They have been looking at eastern Ontario.

**Mr. G. I. Miller:** What about heating purposes? Are you talking about firewood surpluses?

**Hon. Mr. Pope:** No. That hardwood surplus

would be used in ethanol and methanol plants, wood alcohol or whatever offshoots of that they want to consider. There is a feeling by those proponents that there is a market for methanol and ethanol in the future in Canada. That is not universally shared.

**Mr. J. A. Reed:** The market is so large that Canadian Celanese has just built a brand new plant in western Canada. It is growing by leaps and bounds.

**Hon. Mr. Pope:** It is not universally felt that there is that much of a market by others whom Mr. Reed is a friend of, but we are prepared to make the commitment of hardwood where there is an indication of intention to address it.

**Mr. J. A. Reed:** It is not universally felt?

**Hon. Mr. Pope:** A market.

**Mr. J. A. Reed:** That there is a market? It is universally known and understood, with respect, that Ontario's transportation industry could run on methanol and it could convert within five years.

**Hon. Mr. Pope:** I heard that in 1981.

**Mr. J. A. Reed:** I have driven automobiles running on both methanol and ethanol built by Ford in Oakville. The technology has been in place for years and their engines are designed for it now.

**Mr. Stokes:** You had your chance to vote for Richard Thomas and you dumped him.

**Mr. J. A. Reed:** That was a supplementary.

**Hon. Mr. Pope:** In the latter part of your comments, you talked about unregenerated areas. Do not know what you mean by that.

**Mr. J. A. Reed:** According to the figures that our research department has been given, and I think the ones I saw most recently go back to 1972, there seemed to be a shortfall in the amount of cutover acreage compared to the amount of regenerated acreage of about 150,000 acres a year.

**Mr. Laughren:** There is the parliamentary assistant.

**Mr. Stokes:** Who said he was out speaking?

**Mr. J. A. Reed:** It is nice to welcome the parliamentary assistant to the minister to these deliberations.

That is specifically what I am referring to. I am also referring to a federal government report that was completed in 1978 which talked about unregenerated forest areas. In that report the statement was made that 30 per cent of the

unregenerated area remained unregenerated because of the slash cover, the deposit that was left on top.

I do know in the minister's opening statement he said some areas that were cut over should not be regenerated, which leads automatically to the question of why they were cut in the first place. Be that as it may, there might have been some reason for it.

There are also other areas which have not been regenerated because they were not regenerated in time, because the soil cover is thin enough that it washed off and the bedrock was exposed.

**1:50 p.m.**

As I say, the figures we have been given would indicate that there is about 130,000 acres shortfall on an average over that period since 1972. The figures may not be entirely accurate and I am not in a position to be able to debate them because I have not walked the land myself. But I want to know what the government is doing, what the ministry is doing, to recover that acreage. In other words, what kind of intensification of replanting is taking place over and above your thrust towards forest management agreements?

**Hon. Mr. Pope:** First of all, it is clear when one examines the budget figures over the last five years that our forest management component and our reforestation component have rapidly escalated. Whether it has escalated enough is always debatable.

**Mr. J. A. Reed:** Do you know at this point? Are you able to assess whether it has been enough and whether that gap is shrinking now instead of expanding?

**Hon. Mr. Pope:** I believe it is and I believe that as the impact of forest management agreements and a containerized stock of production program is felt, the picture should get better. I think what we are really talking about is the rate at which and the intensity, volume-wise, at which trees grow back on lands that have been harvested. It could be from natural regeneration; it could be from enhanced reforestation programs in the ministry like planting seedlings; it could be by site preparation and seeding operations.

I think what you really mean when you are talking about unregenerated areas is what kind of regeneration activities are going on there. Even a cutover area will reforest itself. It is the rate at which it does it, the volume of wood that results—

**Mr. Riddell:** Depending on whether it is a clear-cut or whether it is—

**Hon. Mr. Pope:** No. Even that is wrong.

**Mr. Riddell:** And depending, of course, on what kind of species you want to grow.

**Hon. Mr. Pope:** It is the rate at which that reforestation takes place and the final volume of wood that is on that land that are the important issues, I believe. You can go, as probably the members of the New Democratic Party have been, to areas that have been cut and look at the second generation forest. It is there and it is not artificial regeneration. It has not been seeded. It has naturally regenerated itself. But the issue is how quickly it regenerates itself and what kinds of wood species are growing there.

**Mr. Laughren:** Why don't you use stocking level?

**Hon. Mr. Pope:** I am going to. What is the stocking level on a naturally regenerated area?

**Mr. Stokes:** It all depends on what the dominant species is.

**Hon. Mr. Pope:** Exactly. That is exactly right. But don't say that there is any such thing as a nonregenerated area. It is a question of what kinds of regeneration activities have been carried on there and whether it is naturally generated.

**Mr. Stokes:** There are raspberries right across the north.

**Mr. J. A. Reed:** I guess that is part of what I am getting at. The other part of what I am getting at is the rapidity with which there can be regeneration on soil or land that has been washed bare because it is thin or the repair—I know you can get some.

**Mr. Stokes:** I can't.

**Mr. J. A. Reed:** You have to forget it all?

**Mr. Stokes:** Forget it.

**Mr. J. A. Reed:** Well, I have seen trees grow in cracks in the rock.

**Mr. Stokes:** They have been there for 300 years.

**Mr. J. A. Reed:** The other is this business of the cover that is left on—the slash—that so far has prevented some of this regeneration.

**Hon. Mr. Pope:** Impeded it, you mean.

**Mr. J. A. Reed:** Impeded it. So what? In other words, we are going to wait 40 years for it to rot and then—

**Hon. Mr. Pope:** No, no, no. You know that is not true.

**Mr. J. A. Reed:** I don't know that it is not true. Tell me.

**Hon. Mr. Pope:** The issue is to what degree slash could impede natural regeneration or impede the artificial regeneration programs, to what degree competing hardwood species are going to choke out the naturally regenerated conifer or the artificially regenerated conifer and, therefore, whether or not you need to apply herbicides to suppress the competing hardwood growth which can have an impact on survival rates. Therefore, people who are concerned about survival rates are in favour of herbicide application.

**Mr. J. A. Reed:** Do you say that with a straight face?

**Mr. Stokes:** No, but you see you are not being selective enough. You say whether it is going to regenerate—

**Hon. Mr. Pope:** I agree you have to be selective.

**Mr. Stokes:** You really have to. When you say conifer, you leave a lot of the forested areas to their own and there is a good many of those which come back in balsam spruce, and you know what problems are inherent in that. If we can get into it early enough before it attracts the budworm, we are all right, but we have not been too successful in that. If you say specifically conifer, you have to know what it is you are trying to grow and what you want to be the dominant species, given the market for the variety of species in a particular area of the province.

**Hon. Mr. Pope:** Yes, you are absolutely right. We have to be selective and we have to look at each area of the province and what the needs are and the problems that could impede either natural regeneration or our own reforestation efforts as a ministry.

Therefore, the global kind of federal-provincial reports that you have seen that analyse the entire country in terms of shortages or availability of wood now or in the future do not answer in specific enough terms the problems the Ministry of Natural Resources has to address. They are on an area by area basis and they are on a species by species basis.

If you look at the inventories which are publicly available from the forest management agreements, you will see substantial surpluses of mature and overmature timber, substantial surpluses in the order of 1.15 million cords for the first six agreements. That is for mature and overmature species that have to be harvested.

**Mr. Stokes:** That is where the mining came in as opposed to the management.

**Mr. Pope:** Well, they are now overmature overmature.

**Mr. Laughren:** The original forest.

**Hon. Mr. Pope:** No, not always. We are into our third generation of forests in the Algonquin region, all of which naturally regenerated.

**Mr. Laughren:** All right.

**Hon. Mr. Pope:** I have been into Stonecliff. I worked in Stonecliff in the summers for Lands and Forests and I know there are pines in there as well as other species.

**Mr. Laughren:** All right. Bite my tongue.

**Hon. Mr. Pope:** All I am saying is that there are surpluses of mature and overmature timber that have been shown to exist. The issue is whether access is feasible, whether they are economically harvestable and how one can structure on a regular time-frame basis the reforestation activities to more closely approximate the date of harvest. That is where the forest management agreement and the timetable under it can be effective.

There is also an age/class mix issue involving, as some would explain to you, in the neighbourhood of the 50- to 60-year class range that is some cause for concern and causes you to adjust—a accelerate or decelerate—your cut through the age classes as they come on stream. If you are going to have a problem in the 50-to 60-year age class, you might want to cut back a bit on the harvesting at the top end as the 70-to 80-year class comes through. In order to get sustained yield, you have to get the right rotation ages in place, and that also has an impact on the planning of reforestation efforts.

**2 p.m.**

These are the kinds of issues we are attempting to address. I think I have indicated that we have rapidly accelerated our budget commitment. We have put in place financial support through the Board of Industrial Leadership and Development for forest management agreement areas.

We had a discussion the other night with Mr. Stokes on the FMA areas versus the crown management unit areas and the funding and commitment to those areas and how there would be a flowing of funds from one to the other, depending on how they came on stream.

We discussed my own ideas about getting more and different kinds of operators on a co-operative basis into a forest management agreement type of structure, which would allow funding to flow to more crown management units than even the 70 per cent figure of productive forest land under FMA had originally conceived

of. These are the kinds of issues we are attempting to address.

We have put in place private greenhouse facilities in different parts of the north, which tend to solve some of the climatic problems and which can have an impact as well as making trees more readily available locally to serve local needs. We think we have made some improvements in the planting of containerized stock and bare-root stock.

We also have to look in the longer term at the competitive position of the industry and at tree improvement. We have had some successful experiments conducted in hardwoods. I think we have had some good success with a project in Kapuskasing with respect to the black spruce cuttings and their growth rate. I think in the future we will be devoting a lot of time on a priority basis to genetic manipulation, trying to improve the tree species we put into the ground.

We do not have the competitive advantage of geography that southern states do where, even though companies have a massive initial capital investment to acquire private lands for forestry purposes, they can look forward to a 30- to 35-year growth cycle, with the first thinning at 15 years, at which time they recover their initial capital investment. We do not have that advantage, but if we can have all-weather access through our roads system, we do have an opportunity that is an important one in the future for thinning operations of our own at a 25- to 30-year point in the cycle, in which we can recover some of the capital investment.

Those are the kinds of intensive management activities that we are trying to provide for in the future through our programs. They do require access roads to be in place and they do require more intensive forestry management than has been practised traditionally.

**Mr. J. A. Reed:** If access through roads is a problem for the ministry, has the ministry looked at the cost of alternative forms of transportation? I am thinking of British Columbia, where they are harvesting steep slopes with helicopters and so on, obviously feeling it can be done more or less competitively with that alternative type of transportation.

I am just wondering, when you talk about the capital cost and sometimes the environmental stresses of putting in access roads, are you looking at any cost alternatives in getting this available timber out?

**Mr. Laughren:** Will your answer be at least two minutes?

**Hon. Mr. Pope:** Yes. I do not know what I am going to say. I guess I have seen other proposals, but I believe we have made a judgement that the long-term cost alternative that is most appropriate is the involvement of all-weather primary access roads. Therefore that should be one of the priorities up front in the forest management programs. We do not think the others in the long-term are as cost-efficient.

We do not appear to have necessarily the unanimous or total support of the federal government in that point of view, but they have not put out any alternatives. In their discussion as to a joint federal-provincial funding program, they have simply wanted to ensure that all of their capital investment is in containerized stock and actual replanting activities. But one of the even more important elements of a productive forest is getting in there at different times during the growth cycle to do the things that you have to do. We just do not think other forms of transportation meet those needs.

**Mr. J. A. Reed:** But you do not really know. Obviously, if a private company like MacMillan Bloedel Ltd. in British Columbia can competitively work inaccessible terrain—

**Hon. Mr. Pope:** I think there is a distance component that is not present in British Columbia. I think there is also a harvesting component, in terms of tree size, that is not the same. I have seen proposals for helicopters—I will not tell you where they were either; that would really upset you guys—and from my recollection, logging by the use of helicopters is not cost-efficient compared to the other forms of transportation.

**Mr. J. A. Reed:** Or lighter-than-air ships?

**Hon. Mr. Pope:** We have heard of that one too. I just do not think it is there. It is not the same kind of forest, it is not the same kind of distance and these kinds of things. What I am saying is that I cannot cite you chapter and verse on the issue, but it is one of the things we did look at over the past couple of years.

**Mr. Laughren:** As always, Mr. Chairman, it is a pleasure to engage in debate with the minister, a worthy opponent. Some of the remarks I want to make tie in quite appropriately with some of Mr. Reed's remarks.

I guess the appropriate place to start is with the forest production policy. The latest one I have seen sets the production goal at 9.1 million cunits by the year 2020, which is a little less than

40 years from now. That is substantially in excess of the 6.2 million—was it 6.2 million?

**Hon. Mr. Pope:** Between 5.5 and six million.

**Mr. Laughren:** It is a very substantial increase in production. That is why we were quite happy when a couple of years ago, in the 1981-82 estimates, the minister indicated—and I mentioned it in my leadoff remarks—that there was going to be a new production policy tabled by 1983. It would be regional in its specificity and its targets. There would be also a layperson version that would be distributed to the general public. I applauded that at the time; it was an excellent suggestion.

I would like to know what the problem is there. The only thing that bothers me is the whole question of the annual allowable cut. I do not mind confessing my confusion on the annual allowable cut, because of the different figures we get. I think this goes back to that whole question of the numbers we were using with which the minister took issue.

The Ontario Forestry Association, for example, published some data very recently in a little pamphlet which said that Ontario's annual allowable cut is about 31 million cubic metres and that the actual cut was only about 17 million. It is an enormous amount of surplus. They assured us, by the way, that they got the figures from the Ministry of Natural Resources, the only source of province-wide figures that I am aware of.

The Canadian Forestry Service also got figures from the Ministry of Natural Resources which showed the annual allowable cut to be 66 million cubic metres. Compared to the 31 million, that is a very substantial difference. That is why I would be very interested in knowing the correct figure of annual allowable cut and, in conjunction with that, what is holding up the policy.

2:10 p.m.

The minister, with his persuasive arguments, has convinced us that there are legitimate reasons for holding up the peat policy. He made some comments about the wetlands policy. I would like to know what it is about the forest production policy that is so difficult and why, to my knowledge at least, it has been not made public either in the rather technical language of the ministry or in the layperson's version that was promised. That is an important place to start so that we all have a better handle on where we are going.

Perhaps I could ask that question of the minister first.

**Hon. Mr. Pope:** First, Mr. Chairman, I believe we have a peat policy.

**Mr. Laughren:** Let us deal with forest production.

**Hon. Mr. Pope:** Okay. We have been working on a forest production policy. We are not finished. It is true that at present harvest levels we are only at 66 per cent of target and at regeneration by artificial means we are at 63 per cent of target, as set out in the material you have looked at.

Obviously, production levels equate to regeneration levels and utilization as well, by the way. We have made that clear to the industry on more than one occasion in a public way. You have probably read in some of the speeches I have made that I have told them not to come to us for additional licence areas until they have looked at utilization, at wasteful practices, at the use of other species on a mix or absolute basis and at other avenues of increasing their production without requiring additional licensed areas.

I have said that to the forest industry directly. I have said it in the context of land use planning. I have said it in a number of public forums, and that remains my point of view.

**Mr. Stokes:** Which areas of the province would you put under licence, if requested, if you were assured that they had a good utilization plan? The only area that is not dedicated either by way of licence or by way of a crown management unit is the 19,000 square miles, the Red Lake forest.

**Hon. Mr. Pope:** North of Hearst.

**Mr. Stokes:** There is some north of Hearst.

**Hon. Mr. Pope:** Immediately north of Hearst.

**Mr. Stokes:** That is not a crown management unit?

**Hon. Mr. Pope:** Yes, that is right.

**Mr. Stokes:** It is a crown management unit?

**Hon. Mr. Pope:** It is not.

**Mr. Stokes:** It is not a crown management unit?

**Hon. Mr. Pope:** No, it is not. In addition to that, if you talk to the Hearst operators, they would like to discuss the surplus that the Spruce Falls forest management agreement has revealed to them, because they have examined this document and what our plans are for the allocation of that as an area to them, if I can dovetail that into my point of view on accessibility. I think that is the kind of thing I am trying to get around to.

The other issue that I think you are probably getting at in your initial question is species utilization. When the annual allowable cut is projected on a species basis in actual cut, you will see that there are surpluses in some species and in some there are problems. Those are the kinds of issues that have to be addressed in your mix of poplar and hardwoods with conifer in the Great Lakes Forest Products Ltd. mill or in the Abitibi-Price Inc. mill or what you are going to do in Domtar Inc. and Dupont.

Your surpluses do not necessarily reflect back into room for industrial expansion. Some of the industries are not geared to handle the hardwoods or the poplar in the volume that is required to get the same fibre content. I have been told that is a problem with a couple of paper mills; they would have to redo some of the mill facility to accommodate hardwoods and poplar.

On a species-by-species basis, you will find some surpluses and some in which there is no surplus on a regional basis. Therefore, you cannot necessarily equate that directly—the way the forest industry might like to—to the availability of additional wood for industrial expansion.

**Mr. Laughren:** Surely you are leaving yourself open to a lot of criticism when in the reports that are published, such as by the Science Council of Canada or people like that or your own reports going back in the past, you do not table the appropriate information on a regional or licensed area basis. People can make these general statements and you do not refute them by district or by region. That surely would be in your interest to do so. This is why I fail to understand the delay.

Also, if the goal of the existing production policy is to be met, according to your own people you are going to have to be regenerating about 380,000 acres by the year 1985. You are not going to make that—at least I do not think you are.

**Hon. Mr. Pope:** That does not translate directly, I do not think. It depends on the intensity of your forest management activities where they get into thinning and everything else. You are right; even our own people have glibly translated it without throwing any other factors into the mix. It depends on the species and the intensity of your management activities, of your stocking program and of your planting program.

**Mr. Laughren:** Would you not also agree that

as time goes on—I am not talking about any one year, but over a period of time—the amount of regeneration that is done does have a very significant impact on what we are going to be able to harvest in the year 2020 and beyond?

**Hon. Mr. Pope:** It has an impact on total volume and on species. It does not have an impact on land that you might claim will not be regenerated. There is no such animal.

**Mr. Laughren:** We are talking about a merchantable crop, right?

**Hon. Mr. Pope:** Okay.

**Mr. Laughren:** That is what is important, not whether there is something growing on that silvicultural wasteland.

**Hon. Mr. Pope:** Those things where nothing grows.

**Mr. Laughren:** I was comparing the area that had been cut over and the area that had been regenerated—artificially, I am talking about now—in roughly the last 10 years. I was looking at the figures, which, of course, are from your ministry—I have yet to find another source for information—and even that source is drying up on me.

I see that back in 1973-74, the cutover—I will round these off—was 474,000 acres, I guess it is. The area receiving artificial regeneration was 150,000, or 31 per cent. In the following year, 1974-75, 38 per cent was artificially regenerated; in 1975-76, 35.5 per cent; 1976-77, 45.8 per cent; 1977-78, 42.5 per cent; 1978-79, 40.1 per cent; 1979-80, 36.6 per cent; 1980-81, 43.2 per cent; and 1981-82, 38 per cent. Those are the figures showing the percentage of land that was cut over and had been artificially regenerated.

Then I went to your FMA annual report and compared the information there. I was a little surprised at what I found. I tried to indicate that in the Legislature, but one does not have much time in question period to press you on a question.

**2:20 p.m.**

I went through that report, which was dated March 31, 1983. I understand that what you cut in one year you do not precisely regenerate in the same year or even in the following year; there can be lags there, I understand that. But over a period of time there is a trend; you do get a picture of what is happening, just as in the ones that were tabled the other day. The previous year one of them harvested 5,159 hectares and regenerated 1,339.

**Hon. Mr. Pope:** What year was that FMA signed?

**Mr. Laughren:** That was the third year of the FMA, so it would have been signed in 1979 and 1980.

**Hon. Mr. Pope:** And how much was site prepared?

**Mr. Laughren:** It does not say.

**Hon. Mr. Pope:** Site prepared and tendered; we have three classes.

**Mr. Laughren:** It does not say that. That was Abitibi, by the way, in Iroquois Falls. The next one was Great Lakes on the English River forest, where they harvested the previous year 4,500 hectares and regenerated 5,151 the following year.

**Hon. Mr. Pope:** It depends on the year of the agreement because these are traditional harvesting areas. Generally, the trend line is up. I can give you a graph, but it is self-serving. The trend line is up as you get into the second and third year of the FMA. When you get roads in place and the program in place, you start getting a large number of acres that are site prepared and a large number of acres planted and you start to bridge that gap.

**Mr. Laughren:** I understand that. The reason I read those 10-year figures was to show that it had not varied for that period, and now we look at the most recent ones and we do not see that much difference either. As a matter of fact, I went through these and added up all the numbers in these FMAs. If you add up the total amount that was harvested the previous year and the total amount that was regenerated the following year, it comes to 34 per cent.

I do not see the upward graph you are talking about, going back 10 years and now into the FMAs. I do not see where your optimism is coming from. If you want to substantiate your argument, that is fine, I wish you would. But you really have to be more open with the numbers; you have to table more information. This is public information about public forests on public lands. You cannot have it both ways.

**Hon. Mr. Pope:** You cannot equate those percentages and say there is only 31 or 34 per cent of land available for future forest production.

**Mr. Laughren:** I know that.

**Hon. Mr. Pope:** But that is the way it is interpreted out there as what you are meaning.

**Mr. Laughren:** Excuse me, but that is why the stocking level figures are so terribly important. I understand that. I would not just use those figures—

**Hon. Mr. Pope:** But do you know how the stocking level is determined? They take test blocks and add up the number of trees in the test block and superimpose that on the entire area. You know as well as I do that we are now into infrared photography. We have been doing it for the last three years. Many areas around Thunder Bay, for instance, have been flown over and we can get an actual stocking level now without that kind of generalized interpretation we have used in the past.

The technology of taking inventory and verifying cuts has all changed. We talked about this a bit when we talked about professional foresters and whether or not they were policemen or forest managers. I guess what I am saying is that some of the traditional systems of taking sample plots and superimposing them on an area-wide basis is not the most appropriate system any more. We are trying internally, believe it or not, to get you more information. I know you may not believe that.

**Mr. Laughren:** No, no.

**Hon. Mr. Pope:** We are honestly trying to get you more information. We are going to get you survival rates on a regional basis. There is some fairly good reasons for not giving you information on a company-by-company basis. I know you may not appreciate it, but I would refer you to issues and documentation over the past two years that will give some indication of some of our limitations in that regard, and I would urge you to discuss it with your colleagues and come to your own conclusions.

We are prepared, on a region-by-region basis, to give you more specific information with which you can make some evaluation of our success. We have been working on that. Believe it or not, we are intending to give you additional information to help you.

**Mr. Laughren:** I want to tell you something. When I went through the information on stocking levels and all of the information which offended you so much, we did it as rigorously as we knew how to do it, as we could do it. When you have been basing your forestry policies on stocking levels and on regeneration and that kind of language, I do not know how else you really expect us to base our information on anything different to what you have been doing over the years.

**Hon. Mr. Pope:** I do not base it on that. I base it on a need to accelerate our reforestation program. As quickly as I can get money available, I am putting into place facilities and stock

in order to improve it. I do not equate it to any statistical system. I equate it to the need.

**Mr. Laughren:** You had no other information on which to base your policies.

**Hon. Mr. Pope:** I certainly do, because we are moving into a more intensely managed forest system and—

**Mr. Laughren:** You are avoiding the question.

**Hon. Mr. Pope:** —one that will require a site specific decision to be made as to the productivity of forest stands and, therefore, will require an economic decision as to how much time and money we spend on those stands to make sure they are as productive as they can be.

That does not mean writing off the rest of the forest land in the province, that does not mean ignoring it. It means we put an emphasis or a priority on selecting those site-specific stands and that we are aware of the work that has gone on to analyse the potentials of the stands on a site-by-site basis which our botanists, biologists and foresters have done.

We are trying to select the best and most productive sites. We are trying to make sure they have the best quality trees put in them. We are trying to establish that they can be managed through access and continuous management programs, such as thinning and that kind of thing.

They are managed intensively so that we get the highest possible volume yield out of those stands so that we can meet the needs of our industries in the future. We are trying to do it on a cost-competitive basis vis-à-vis other jurisdictions. What we are trying to do is put in place a new system that will have as its priority the putting in of containerized stock of high quality and its ongoing management.

**Mr. Laughren:** Have I quarrelled with you on this?

**Hon. Mr. Pope:** No, but you go back to the old numbers that do not take into account the new system we are trying to put into place and you say we have failed. I am sorry, we are not failing, we are making great improvements. We are doing much more in reforestation in Ontario.

**Mr. Laughren:** All you have to do is look at the dollars that are going into it. I saw those numbers that had it rising to more than \$200 million a year by 1985 or 1986, I believe. When you use 1981 dollars, that is about \$250 million a year.

**Hon. Mr. Pope:** Yes.

**Mr. Laughren:** That is big money. Where I quarrel with you is that, by and large, the Ministry of Natural Resources has been responsible for regeneration of the forests in the past 20 years. Right? You would not disagree with that.

**Hon. Mr. Pope:** No.

**Mr. Laughren:** When we use figures based on your way of calculating the regeneration and so forth, you take issue with it. Do you know why? I don't want to be unfair, but you do it because you know you are responsible and that the regeneration record has been dismal. That is why.

**Hon. Mr. Pope:** If we have established that, we are now going to have a historical argument—

**Mr. Laughren:** Yes, we are.

**Hon. Mr. Pope:** You admit that we are spending more money now on reforestation?

**Mr. Laughren:** Absolutely.

**Hon. Mr. Pope:** We feel we have to spend more and you feel we have to spend more. You feel we have to have better quality stock through a variety of development programs.

**Mr. Laughren:** Site classification.

**Hon. Mr. Pope:** Site classification. That is what I meant when I was talking about the selected stands of high productivity, that we have to have ongoing management programs in order to enhance the yield from those stands.

**Mr. Laughren:** More foresters.

**Hon. Mr. Pope:** Not necessarily. Just better use of foresters. I think what Mr. Stokes was saying was at the very minimum better utilization of foresters, if not more foresters.

**2:30 p.m.**

**Mr. Stokes:** Get them out from behind their desks and do not hide them any more.

**Hon. Mr. Pope:** Especially a couple of selected foresters. Perhaps we have established that those things going on now are an improvement. Let us put it that way to avoid an argument. We are dealing with historical performance and with the kinds of impressions that have been left with the public. Leaving an area to regenerate naturally does not mean we are writing it off. It does not mean it is a silvicultural desert.

**Mr. Laughren:** No, but they are not sufficiently regenerated.

**Hon. Mr. Pope:** That is not what you said and that is why I quoted from your press release. The impression people got from your statements in northern Ontario was that nothing was

happening in those lands, that you were standing in the middle of a totally destroyed site, nothing was growing there and there was no natural regeneration. On your trip you flew over some naturally regenerated sites with substantial timber volumes on them, so you know that natural regeneration is not a write-off—

**Mr. Laughren:** How do you know?

**Hon. Mr. Pope:** You told me.

**Mr. Stokes:** You know how he knows.

**Hon. Mr. Pope:** So you agree that naturally regenerated sites are not written off and are not necessarily silvicultural deserts.

**Mr. Laughren:** And they are not necessarily sufficiently regenerated either.

**Hon. Mr. Pope:** That depends on what you perceive the annual allowable cut to be. I think many companies have told you they have underestimated the annual allowable cut in the naturally regenerated areas.

**Mr. Laughren:** We have been told by some as well that the inventory in those sites is overestimated.

**Hon. Mr. Pope:** Oh, yes? Then why does every forest management agreement show an inventory surplus, a surplus to their needs and a surplus to the previously calculated annual allowable cut?

**Mr. Stokes:** The crunch will come at the five-year audit.

**Mr. Laughren:** We will see what happens when we get to that five-year audit.

**Hon. Mr. Pope:** You will admit, because the documents are available to the public, that every single inventory produced to date on forest management agreements shows a substantial surplus. That is all I want you to agree to, and it is there for everybody to see. There are surpluses that no one imagined were there before. The Hearst operators suspected it was there before and have been contacting the ministry over the past few years to get an allocation.

**Mr. Stokes:** You have never before admitted that it was there.

**Hon. Mr. Pope:** But when the inventories came in—

**Mr. Laughren:** We know the state of your inventory, too.

**Hon. Mr. Pope:** The inventory on the FMA? It is better than any in the world.

**Mr. Laughren:** You are talking about the 20-year-old inventory.

**Hon. Mr. Pope:** They are not 20-year-old inventories.

**Mr. Stokes:** We are not talking about the FMAs. You had your 37 per cent that—

**Hon. Mr. Pope:** It was 50 per cent this year. Every single FMA area where the inventory has been calculated to date has shown a surplus. The trend is the surplus. You know the process. They take the stands—

**Mr. Stokes:** We do not quarrel with anything under an FMA at the present time.

**Hon. Mr. Pope:** But you think there will be shortfalls in everything that is not FMA, and there will be surpluses in everything that is FMA. On what basis do you make that statement?

**Mr. Stokes:** Those are the vibes and the red flags we are getting as we tour the province.

**Hon. Mr. Pope:** Sure. Did you ever know a forest products company that thinks it has enough wood? Name one; until the inventories come out under the FMAs?

**Mr. Stokes:** Great Lakes.

**Hon. Mr. Pope:** Thanks. After what I put up with.

**Mr. Laughren:** Could I ask you a question about the language that is used for what is called "an area not available for regeneration."

**Hon. Mr. Pope:** Yes. That has to do with road access. It has to do with what species has been harvested or not harvested in the area. It also has to do with the operability of the site. In the area not available for regeneration the split is 90-40-30. That is the indication I have, and I have said it before in other forums, and I think in answer to you. So 70 per cent of that area relates to the availability of all-weather road access. It also relates to the fact that not all trains or all species have been harvested, therefore, the area is still open for further harvesting.

**Mr. Laughren:** But are you not concerned with the way in which that area is expanding?

**Hon. Mr. Pope:** It is not expanding.

**Mr. Laughren:** I am only using your figures. Let me give you the numbers.

**Hon. Mr. Pope:** Exactly; but you do a cumulative total and that is completely in error. You cannot do a cumulative total.

**Mr. Laughren:** Why do you do it then? We got from you.

**Hon. Mr. Pope:** We do not accumulate them.

**Mr. Laughren:** Let me tell you where I got it.

It was in answer to an order paper question, one in 1980 and one later.

**Hon. Mr. Pope:** You accumulate them by saying that every hour so many acres are written off; that is how you accumulate them. Oh, yes, I am sorry; it is. You accumulate them and give the impression that 37 acres an hour are lost forever. You know that is not true.

**Mr. Laughren:** We are going on your figures.

**Hon. Mr. Pope:** You are interpreting them.

**Mr. Laughren:** No.

**Hon. Mr. Pope:** You know that as the other species are harvested, as we get road access, regeneration activity is taking place. Whether or not it is our activity or natural regeneration that is taking place, the long-term effect is that there is a forest coming in and it is going to be a productive forest. How productive it is is arguable.

**Mr. Laughren:** Do you know?

**Hon. Mr. Pope:** We have an idea because we are already cutting the third natural forest in the Algonquin region. It is supporting a number of industries.

**Mr. Laughren:** It is hardly the boreal forest, is it? You are not cutting the boreal forest the way you are cutting in Algonquin either.

**Hon. Mr. Pope:** I happen to think there is a comparison and that it is an appropriate comparison. I do not know everything about forestry, you know.

**Mr. Laughren:** Who? You?

**Hon. Mr. Pope:** The guy in the back of the room.

**Mr. Laughren:** Gee whiz, do you think we did not learn something when we travelled across northern Ontario?

**Hon. Mr. Pope:** I learned a lot, too, when I travelled when I was first made minister. You are not the only one who is interested or has taken the time to learn about it.

**Mr. Laughren:** Who said that? These are your numbers; they are not my numbers. In 1973-74, out of a total cut of 474,000 acres, the area not available for regeneration was 31,100 acres. In 1974-75, out of 476,000 cut over, the area not available for regeneration was 57,000 acres.

**Hon. Mr. Pope:** What happened to the 31,000 acres? Is it, as you said in your press release, forever lost to forest production? Is it written off forever?

**Mr. Laughren:** You tell me what the stocking level is going to be on those sites?

**Hon. Mr. Pope:** Some areas are naturally regenerating. Are you saying that it is not going to be productive forest? You said in your press release that it was no longer productive forest, that it was being written off at the rate of 37 acres an hour. That is a complete misinterpretation of all of the data and you know it. You misinterpreted the data and you know you did it for political reasons.

**Mr. Laughren:** That is not true.

**Hon. Mr. Pope:** I am sure it is true.

**Mr. Laughren:** Why are you trying to stop me in the middle of my presentation on the area not available for regeneration? It is because you are embarrassed by these figures; that is why.

**Hon. Mr. Pope:** I apologize.

**Mr. Laughren:** In 1975-76, out of 486,000 acres cut, 98,000 were not available for regeneration. Those are your numbers and your language.

**Hon. Mr. Pope:** Read out your press release and how you interpreted those to the people of Ontario. Now you know what a statistical problem is.

**Mr. Laughren:** They were presented just the way you gave them to us.

**Hon. Mr. Pope:** No, you did not; that is precisely the problem.

**Mr. Laughren:** In 1976-77, out of 387,000 cut over, 61,000 acres were not available for regeneration. In 1977-78, out of 465,000 acres cut, 162,000 acres were not available for regeneration; in 1978-79, 482,000 acres cut, 154,000 not available for regeneration; in 1979-80, 540,000 acres cut, 169,000 not available for regeneration; in 1980-81, 600,000 acres cut, 173,000 not available for regeneration; and in 1981-82, 562,000 cut, 181,000 not available for regeneration.

Those were the figures we were using. In particular, we used the last year, which was the latest we had available. That showed 32 per cent not available for regeneration. It is your language.

**Hon. Mr. Pope:** How about the area requiring treatment but not treated?

**Mr. Laughren:** I guess I could find that if I looked for it.

**Hon. Mr. Pope:** How come you did not read that into the record when you went around the province?

**Mr. Laughren:** The point is you are trying to avoid the central issue here. You will not tell us what the stocking levels are on those areas by district, by cutting licence area, so that we can have an informed public debate. I took the

deputy seriously when I read his speech in Sault Ste. Marie. He said we were going to have an informed public debate.

**Hon. Mr. Pope:** Wait a minute. Yes, but you laid the factual basis for the so-called public debate by saying 37 acres an hour was being written off and so many thousands of acres a silvicultural desert. That was the factual basis you opted for before you even started your tour of the north.

**Mr. Laughren:** You are wrong.

2:40 p.m.

**Hon. Mr. Pope:** That is in your press release. That is in the media reports all over northern Ontario. That is the factual basis—your interpretation of the tables—that you started from to have this so-called informed—

**Mr. Laughren:** It is your interpretation.

**Hon. Mr. Pope:** It is your interpretation: 37 acres an hour being written off. It is a bunch of nonsense. You know that as well as I do.

**Mr. Stokes:** You are playing on words.

**Hon. Mr. Pope:** Who played on words in the press release?

**Mr. Stokes:** I can take you into many areas of the province where the future of forestry and of towns in the north depends on our ability to manage our forests. There are silvicultural wastelands out there; you know it, I know it, the deputy minister knows it. Now let us not play games.

**Hon. Mr. Pope:** Let us not play games by saying we are writing off 37 acres an hour. You know that is nonsense. You know there are different productivity levels even from natural regeneration and you know there are productive forests.

**Mr. Stokes:** If you take the total area that is being harvested today, yesterday and tomorrow, you know that a lot of those sites do not lend themselves to reforestation for a variety of reasons. Mr. Reed mentioned that in his opening remarks today. If you do not appreciate the fact that we are harvesting a lot of areas in Ontario that simply cannot be reharvested, you are deluding yourself.

**Hon. Mr. Pope:** I am not saying there are not site problems with respect to certain areas in Ontario. I have never denied that. But to translate that—

**Mr. Stokes:** If you suggest that every time you harvest an acre you can automatically reharvest it successfully, as suggested by the Brampton

charter, you are more naïve than I would even attribute you to be.

**Hon. Mr. Pope:** Okay; but you are not prepared to say that the trees will never grow in that area and that those areas will not be productive forests?

**Mr. Laughren:** We never said that.

**Hon. Mr. Pope:** You did; you said 37 acres an hour being written off. To any person who is reading that, that means it is never going to be put into productive use again. You knew all along that was not true.

**Mr. Stokes:** Many of them won't be.

**Hon. Mr. Pope:** Thirty per cent of it is with respect to road access only. You know we are spending millions of dollars on road access; therefore, you can take 30 per cent off that. Forty per cent of that relates to the fact that other species have not been harvested on that same site; you can take that area off that. So where is the 37 acres an hour that you paraded across northern Ontario?

**Mr. Laughren:** I just gave them to you. What makes you embarrassed is that the government's record on regeneration is dismal. That is why you do not want to deal with your record. You want to say, "Oh, we have put the FMAs in place; everything is going to be fine." You do not want to deal with your record of regeneration. I think you have to answer for that.

**Hon. Mr. Pope:** We have one of the best regeneration programs in North America now in place and we are putting more money into it.

**Mr. Stokes:** Not so. K. C. Irving does 10 times better than you do.

**Hon. Mr. Pope:** Sure they do; that is why everything is so great in New Brunswick right now, that is why they had to relicense—

**Mr. Stokes:** On his land.

**Hon. Mr. Pope:** Tell me about the other provinces. I do admit, though, as I think you said before, that British Columbia does have a very fine program, which has had good success. I think that is the one comparable jurisdiction in Canada. I think you have referred to that previously.

I think the financial commitment in 1979 and the processes we have put in place are improving the situation. The program we now have is an exemplary one. I am not saying it cannot be improved, I am not saying we have not made mistakes, but I think the program is a good one and one that we are committed to. We are putting in the financial resources and I think it is

going to have a positive impact. That, combined with the better inventory material we are achieving through the new technologies we are incorporating, is going to give a clearer picture.

One of the problems, which you or Mr. Reed referred to, is that the federal reports are sort of generalized reports—

**Mr. Laughren:** That is why we want you to be specific.

**Hon. Mr. Pope:** Right; and that is why I am trying to be. As I said earlier, I am trying to get you the kind of information, with clearer definitions, on a basis that will be helpful to you in terms of your statements.

**Mr. Laughren:** Surely you understand why people look askance at you and your ministry when, in the middle of our raising questions because of our forestry task force—which is a legitimate exercise for an opposition party, I am sure you will agree—

**Hon. Mr. Pope:** Yes.

**Mr. Laughren:** —you immediately clam up on all the numbers that you have traditionally given to us. That is true.

**Hon. Mr. Pope:** No. In fact, if you read the press comments, I said up north that I welcomed your interest and would be pleased to hear and consider your recommendations in terms of the forestry process.

**Mr. Laughren:** Yes. We read those press reports where the minister sarcastically laughed and said it was time the NDP got up to northern Ontario.

**Hon. Mr. Pope:** Yes.

**Mr. Laughren:** That was hardly a sincere welcome.

**Hon. Mr. Pope:** When you see the greenhouses that have been put in place over the past two years, and when you see the intensive forest management activities that are in place in some places and the progress that is being made—

**Mr. Laughren:** We did.

**Hon. Mr. Pope:** —then surely you cannot equate that actual picture with your interpretation of the statistical table you put into your press release. That is the simple point I am making.

I underlined just three statements when I was replying to your leadoff; that is the point I was trying to make to you. You cannot translate those figures into the writing off of forests at a certain acre an hour rate. I understand the background to it; you did the same thing for farm land when that was a concern in the

province in 1975, but it does not translate the same.

**Mr. Laughren:** Let me tell you something. You may take issue with our using those numbers and those words, but we could also take issue with some of your statements about your inventory, about basing your policy on an inventory that is 20 years old.

**Hon. Mr. Pope:** It is not.

**Mr. Stokes:** The Great Lakes Forest Research Centre says so.

**Hon. Mr. Pope:** Is that in Sault Ste. Marie?

**Mr. Stokes:** Yes.

**Mr. Laughren:** Those are the numbers they are working with.

**Hon. Mr. Pope:** I am not surprised.

**Mr. Laughren:** They get them from you.

**Hon. Mr. Pope:** I am sorry, but we have a program of continually updating the inventory material; you know that, you know we do it on a rotation basis.

**Mr. Laughren:** Yes.

**Hon. Mr. Pope:** You know the amount of time and energy we have put into it. We have inventoried 200,000 square miles in the past 11 years. We are also spending money. We are using foresters and forest technicians to continually update our inventories. To say we are universally using 20- and 30-year old inventory data is simply not accurate.

**Mr. Stokes:** In the absence of anything else.

**Hon. Mr. Pope:** Part of the problem has been that the Great Lakes Forest Research Centre of the Canadian Forestry Service had a hang of a time getting funding commitments from the Treasury Board of the federal government. We have sat back and allowed them to build their case in the hope that they would get some commitments from the federal government.

**Mr. Laughren:** They have in the past couple of years.

**Hon. Mr. Pope:** Oh, yes?

**Mr. Laughren:** More than they were before, sure.

**Hon. Mr. Pope:** No, they have not. In fact, one of the reasons the man there left, I would venture to say, was that he got nowhere. What we have now is a very restricted program that reduces the federal government's proportionate commitment to reforestation in the country from 33 per cent 20 per cent.

**Mr. Stokes:** They say they are increasing it;

that they are diminishing the emphasis on access and putting more on silviculture treatment.

**Hon. Mr. Pope:** But when I go to Winnipeg and ask Mr. Caccia in the federal-provincial conference how he expects us to get in to plant the trees, there is dead silence on the other side of the room because they cannot answer the question.

**Mr. Laughren:** He says it is your responsibility.

**Hon. Mr. Pope:** Right, knowing that is at the front end. As we discussed last year, 75 to 80 per cent of the front-end money is to put in the access roads to get into the intensive management activities. You are right. He says it is my responsibility. He says he wants direct delivery.

Did you see what they did in Nova Scotia, where they hand out federal government cheques to every private woodlot owner in the province with the slogan on them? That is direct delivery: that is political visibility and that is what they want.

The federal minister is laying the same scenario on Quebec, British Columbia and Ontario, and he has had no agreement from the three major forest-producing provinces in the country. There is no agreement whatsoever. In fact, the fact we are negotiating with him puts us in the lead among the three provinces, because the others will not get involved in that kind of negotiation where they are laying their criteria out on the table and that is it.

We are negotiating with him. We are trying to get that issue addressed. We are trying to get the issue of visibility addressed. We are trying to get this minister to understand, as Mr. Fisher has said in his column, that it is a requirement in specific instances to apply herbicides and pesticides to our forests to beat down competing growth.

2:50 p.m.

The federal government dictating a national forestry policy has really caused a lot of serious problems for us. We would like to have a shared funding program with a federal contribution. We would like to get involved in the whole range of forest management programs that we think are necessary to make our industries competitive in the long term. We do not think you can have that by selecting a specific program area in which you will direct your funds as opposed to supporting the entire program.

Politically visible issues of concern to them can be handled in a variety of means. They can hold press conferences in every community in northern Ontario to explain how much money

they are putting in and that kind of thing, but we happen to believe the way to go is with wholehearted co-operation in the whole range of programs, not selectively.

**Mr. Laughren:** We want to get the whole plan. I would like to move on to a couple of things that are really bothering me about what is going on. They are things that Mr. Reed talked about. One is the wood utilization policy and the other is the wasteful practices reports.

It is my understanding that you have had the wood utilization policy for about a year.

**Hon. Mr. Pope:** Since last June.

**Mr. Laughren:** I think you said you were going to respond to it. Why would you not make that available so that people could have a look at it? Why is that a secret document? That is what is bothering me. It is the same with the wasteful practices report that Mr. Keddie of your ministry did, I believe. Why are those so secret?

I know why Mr. Chaudhry's report on survival is secret. I know you are jumpy about that and why you sat on that, but I do not understand why you are sitting on those other reports.

**Hon. Mr. Pope:** The computer extrapolation on survival?

**Mr. Laughren:** The survival rate data by region and district.

**Hon. Mr. Pope:** The computer extrapolation on survival is what it is.

**Mr. Laughren:** I do not know whether it is computer extrapolation or not.

**Hon. Mr. Pope:** Computer prediction.

**Mr. Laughren:** Right. Why are you smiling? Why is that not public information?

**Hon. Mr. Pope:** The fact of the matter is that it is a computer analysis. This is the same one that has been written about, is it not? It has been written about in Lakehead Living, has it not?

**Mr. Laughren:** It is a public report?

**Hon. Mr. Pope:** Yes, it is all there. It was all in the newspaper about three weeks ago in Thunder Bay.

**Mr. Laughren:** I did not see it.

**Hon. Mr. Pope:** I have.

**Mr. Laughren:** Do you have it?

**Hon. Mr. Pope:** I do not know where it is, but it was in my House book.

**Mr. Laughren:** That is the point. We asked for it and we were told we could not have it, but you were giving it to the newspapers instead of the members of the Legislature.

**Hon. Mr. Pope:** I did not give it to them. You misunderstand—

**Mr. Stokes:** Where did they get it?

**Hon. Mr. Pope:** I have no idea.

**Mr. Stokes:** It could only come from one source, though. It is your computer analysis.

**Hon. Mr. Pope:** I have no idea. It did not come from me.

**Mr. Laughren:** What about the wasteful practices and the wood utilization reports?

**Hon. Mr. Pope:** We are preparing, as I indicated earlier, a response—

**Mr. Laughren:** Why do you not just let us have the report?

**Hon. Mr. Pope:** No, I am sorry. We are looking at five options. When we have made a decision on what the new policy will be we will release the policy. I am hopeful the policy will show that we have a number of options that we have considered and that we will have a new policy in place with respect to utilization that will be an effective one. At the same time, it will encourage the industries to get into more species utilization.

**Mr. Laughren:** Surely that will be in the document though.

**Hon. Mr. Pope:** It is a public policy that will be announced when we are finished working it through the various ministries that are involved.

**Mr. Laughren:** That is what I do not understand, I guess. Why is it that a study—

**Hon. Mr. Pope:** Because I want to have the time to analyse the report and the options available for implementing a new policy and to take the policy to government and try to fight for its approval.

**Mr. Laughren:** We are not saying we are now jumping in to the middle of policy development. For example, last week there were a couple of reports tabled in the Legislature on athletics; is that right?

**Hon. Mr. Pope:** Yes.

**Mr. Laughren:** That is without a policy being announced. The reports were tabled by the appropriate minister, and from that the debate will swirl about those reports and then the government will develop a policy. Why can we not have that same kind of situation in the Ministry of Natural Resources? When a report is made public, then you develop a policy based on the input you get out of it.

**Hon. Mr. Pope:** I asked for a report for the purpose of developing a policy. When I have

developed a policy, when it is approved, then I release the policy and you can then debate whether or not the policy is adequate.

**Mr. Laughren:** You made public the wetlands discussion paper, right?

**Hon. Mr. Pope:** Yes.

**Mr. Laughren:** So why do you not do the same thing in terms of public forests?

**Hon. Mr. Pope:** Because, in my opinion, the best way to develop a policy is to have the report, explore the options and then make the policy decision.

**Mr. Laughren:** Do you realize how suspicious that makes people?

**Hon. Mr. Pope:** Do you want me to go the other way and not put out the wetlands policy paper and just develop it internally and then announce it? If those are the two options you say I should be looking at and I have to be consistent in one way or the other in developing policy when they are all options I should have the right to look at—

**Mr. Laughren:** You are not being consistent. You did release the paper on wetlands.

**Hon. Mr. Pope:** Then I will be consistent. I will not put out a wetlands discussion paper in the future.

**Mr. Laughren:** You already have. You have already put out a wetlands paper.

**Hon. Mr. Pope:** I have the right to explore a variety of options.

**Mr. Laughren:** But be consistent.

**Hon. Mr. Pope:** No.

**Mr. Laughren:** They are public forests.

**Hon. Mr. Pope:** I have a right to explore a variety of options or methods of developing policy. Some of them are internal points of view, some of them are internal reports, some of them are public reports, some of them are open houses and some of them are hearings. There is a whole avenue we use to develop policy in Ontario. To say that I am arousing suspicion in the public because I do not make a report public is not necessarily a generalized conclusion you can draw.

**Mr. Laughren:** I think you were somewhat offended the other night when I said you regarded the public forests almost as your toy, as the turf of the Ministry of Natural Resources instead of the public of Ontario. This is further evidence that you regard that as something that is secretive, that you have a right to all the information on it and that you have a right to

release information in a way that suits your purposes. That is what I think is unfair. I do not think you are playing straight with us.

**Hon. Mr. Pope:** You are wrong. I disagree with you.

**Mr. Laughren:** I know you disagree with me but I think you are fundamentally wrong.

Finally on this issue, when can we expect a wood utilization policy, a wasteful practices policy and a release of information on survival rate data by region and district? Those are three things. It is a very simple, direct request.

**Hon. Mr. Pope:** Soon.

**Mr. Laughren:** In early 1984?

**Hon. Mr. Pope:** I cannot guarantee that.

**Mr. Laughren:** I know you are jumpy about putting dates on; then you cannot meet them and you get clobbered. But I think it is unfair for you to be doing what you are doing.

**Hon. Mr. Pope:** We are working right now on the survival data, just to reply to that part. I am hopeful we will have it for you in the next couple of weeks.

**Mr. Laughren:** I do not want to dwell on it, but that is why I think we are justified in everything we have done on releasing information and interpreting information. When it becomes public and it is unflattering, you immediately close the doors on the information. In my view, that is probably why you are not releasing these reports.

I will move on. We paid a visit to the Maple research station and we were very impressed with what we saw there and some of the work that was going on. I read very carefully several times the statement when the original decision was made by Mr. Foster to have the whole thing investigated about how to continue it; technology transfer was one of the big concerns and so forth.

Everything that we saw up there and the work that was being done seemed to us to be most appropriate. It was not theoretical, but was applied research that could be used in the forests.

I am really nervous about the way you have handled this whole thing. I am sure the people up there must be concerned about the future. I ask you to think about that.

A couple of years ago you stated how proud you were of the work that was going on at

Maple. I have a copy of your statement here somewhere.

3 p.m.

**Mr. Stokes:** I gave it to him and he lost it.

**Mr. Laughren:** I lost it within five minutes.

**Hon. Mr. Pope:** Not to cut this off—

**Mr. Stokes:** You tabled two reports.

**Mr. Laughren:** Yes. What changed from 1981 until now?

**Hon. Mr. Pope:** Nothing.

**Mr. Laughren:** Nothing? "A report on the accomplishments of the Ontario forest research centre at Maple and the four field stations engaged in various aspects of research work. This report describes the research done on a wide range of topics in forest biology, all of which is aimed at improving forest production, be it for fibre, poles, logs or biomass."

Why are you so jumpy now about Maple?

**Hon. Mr. Pope:** I am not jumpy.

**Mr. Laughren:** Why are you going through this process of making people so nervous? They are good professional people.

**Hon. Mr. Pope:** I do not know what they are nervous about.

**Mr. Laughren:** If you were working there you would be nervous.

**Hon. Mr. Pope:** Why?

**Mr. Laughren:** Have you made a commitment to keeping Maple open?

**Hon. Mr. Pope:** I made a commitment to accelerating and expanding our research program.

**Mr. Laughren:** At Maple?

**Hon. Mr. Pope:** Why always at Maple? I just heard that—

**Mr. Laughren:** Because you have a good team here, doing good research.

**Hon. Mr. Pope:** I would like to see us diversify our research efforts into northern Ontario, maybe even Chapleau.

**Mr. Laughren:** What have you got against Poleyet?

**Hon. Mr. Pope:** Sorry.

**Mr. Stokes:** Or Shining Tree?

**Mr. Laughren:** As a matter of fact, you need a boreal forest research station in northern Ontario, but that does not mean you decimate or even reduce what is being done at Maple.

**Hon. Mr. Pope:** I do not know if that is necessarily what we have been saying. I think if you analysed the research and the technology

transfer models in a number of other jurisdictions, and—

**Mr. Stokes:** Why are you putting the tree improvement council in Guelph?

**Hon. Mr. Pope:** More diversification. Why are we looking at research facilities in northern Ontario?

**Mr. Stokes:** What is that? In North Dumfries or what?

**Hon. Mr. Pope:** Why are we spending more money on research? The renewable natural resources grants program goes out to a variety of universities, including Lakehead University.

Why are we looking at upgrading, with the federal government, the Kapuskasing experimental farm with some adjacent facilities in that area, with the vegetative cutting program being put in place there to experiment with accelerated growth?

**Mr. Laughren:** Mostly because it needs to be done.

**Hon. Mr. Pope:** We are doing it because we want to diversify our research activities throughout the province. We are not diminishing our commitment in dollar terms, or I believe in manpower terms—

**Mr. Laughren:** Maple.

**Hon. Mr. Pope:** —on a province-wide basis. We are looking at a better co-operative program with industry and the federal government. The net effect should be more research dollars into forestry issues.

If you look at what is being done in the United States, that is precisely what they are doing. North Carolina has been for the past two years spearheading a co-operative program for forest research that involves the private sector, the national federal government of the United States and a variety of state governments from that part of the southeastern United States.

The net effect of this is that a council of governments, industry and university representatives get together on a regular basis and establish what their research priorities should be and have in place the financial commitments. They can accelerate through their consultation, they can dictate the kinds of research projects that are needed or are urgently required; but it is done on a co-operative basis where every element of the organization agrees that it is required.

You have a discussion about it and then you are not going off on your own. You are not doing research on other people's research. You

are not spending scientific dollars trying to analyse what another level of government or an industry is doing. You are together, and your technicians and scientists are somehow co-ordinating their work, whether or not it be experimental field trials in different parts of the province where they get different results and have a look at the different regional problems, or whether it be on different types of research projects.

Right now, our impression is—or my feeling is, I do not know if Bill shares it—that it is not as organized as that and as a result we are suffering. As well, we also have to use this kind of a structure to get more research dollars out of the private sector committed to general research priorities that we feel we have to pursue as well.

As I mentioned the other night, we had our first meeting two weeks ago with representatives from two federal ministries. Three universities were there. There were representatives of the forest products industry, from both the pulp and paper and nonintegrated sawmills sections. We had our own government representatives there, including some of our researchers, to try and set up this system to see who the players were going to be, to see who their representatives were going to be and to try and get this process in place, plus trying to lock down some financial contribution system.

My own feeling is that we have to rapidly accelerate our financial commitment into the development of improved coniferous species. If we do not do it immediately, in the next five to 10 years we are going to face serious competitive disadvantages in the southern United States.

**Mr. Laughren:** We have no quarrel with you on that. Actually, what impressed me when I was there was how each one of them knew what the other one was doing. They were dovetailing their research.

When I hear about places like Sheridan Park, for example, where they say you need a community of scientists working together to create the right kind of synergistic effect in a scientific community, I think that is a good thing. There is a good spirit out there. I really liked it.

**Hon. Mr. Pope:** Yes, I know. However, the state of our communications are such that we do not necessarily have to restrict ourselves to one institution to which everyone is sending their scientists.

The state of our professional communication, the state of communications even within the ministry, is such that we do not necessarily have to opt for only that. I am not saying we forsake

it, I am not saying it is not important, but there is much more that has to be done in terms of decentralized field trials, decentralized seed testing and decentralized tree improvement programs.

Somehow we have to get all that in place with more dollars from not only the government side of things but also the industry side.

**Mr. Laughren:** I am feeling a little pressed for time here. I do not want to use up all the time.

There are a couple of things before I leave the question of forestry. One is, when you table the annual reports of the forest management agreements, would you table a form, 8(1), which gives much more information on harvest cut, total treated, different kinds of regeneration, tending, site preparation, dollars spent on roads—all those costs involved.

Last year we approached people within your ministry to table form 8(1), which was provided to us, but it was because we made a specific request to have it. It seems to me that form should be tabled with the annual report on the FMAs. Looking at it seriously, what you table in the Legislature is not very much information for something as important as the forest management agreements. You should agree with that.

You would be the first one to say the forest management agreements are the future of our forestry industry, and to table that kind of report, that kind of skimpy information on something as important as the FMAs I think is silly, almost. The 8(1) form is not a complex form but is the kind of thing that should be tabled on the FMAs.

You gave it to us last year because we requested it and I think you should make that part of your tabling.

**Hon. Mr. Pope:** I will have to look at it. The report we file in the Legislature is under subsection 6(4) of the Crown Timber Act. I understand that section was negotiated in Mr. Martel's office in 1979.

**Mr. Laughren:** At that time, I am sure, we felt we were dealing in good faith and that we would get something with more substance to it.

**Mr. Stokes:** It was a learning process for all of us.

**Mr. Laughren:** The 8(1) form would add to the information.

3:10 p.m.

The other thing I would like to know on forestry: when I requested the information on survival rate data, stocking levels and so forth,

Mr. Foster wrote back on October 24 giving me information on survival rate data.

I do not know whether he would remember that letter or not. I do not know where you got that information. There are a couple of questions about it. On page 2 of the letter—do you have a copy of the letter?

**Hon. Mr. Pope:** No. Just a second, October 24?

**Mr. Laughren:** October 24. The letter to me from Mr. Foster.

You break it down by species—jackpine, red pine, black spruce and white spruce—and then you have container stock, second-year survival, percentages. Then you have bare root, third-year survival and fifth-year survival for each of those species.

I am wondering a couple of things. One, why is there only second-year survival data for the container stock, because you have been using container stock for longer than that, have you not?

**Hon. Mr. Pope:** Not enough of it to get any sort of survival history for you. It really started when we got into the private sector. We were going to go into container stock production in the government nurseries. We were doing a bit of it, but we decided we would exclusively limit the private nurseries to container stock production. We made that decision in 1981.

**Mr. Laughren:** Does that not mean that in the foreseeable future you are going to be dealing with very small seedlings being put into the ground, by definition, if most of it is container stock?

**Hon. Mr. Pope:** Compared to the bare root?

**Mr. Laughren:** Yes.

**Hon. Mr. Pope:** Yes.

**Mr. Laughren:** I am not an expert on this but several foresters who talk to us express concern that one reason the stocking levels will be low is the small size of the seedlings we put into the ground.

**Mr. Stokes:** Too much competition.

**Mr. Laughren:** Yes. If you put in bigger seedlings they compete better, and you will have better stocking levels if you use bigger stock.

If you are moving very substantially into the container stock, you are going to be restricting yourself to smaller seedlings. If you put in bigger seedlings it seems to me you require less herbicides, combined with different kind of site

preparation and so forth; that would be a more positive way of moving.

**Hon. Mr. Pope:** First of all there were a lot of people urging us to get into container stock, including using the Finnish container, for a number of reasons including survival, as I understood it. There is always a countervailing body of opinion on all of these issues.

Our people say that in order to overcome those survival problems from competing vegetation, you are not even talking about containerized stock that could approximate the size of bare root stock but something much more than that. In any event, you have a competing vegetation problem and therefore it does not matter that much in final terms between bare root and containerized.

Like you, I hear these opinions being expressed back and forth. We had quite a discussion about containerized stock versus bare root stock back in 1981 when we were originally trying to make a decision on priority of expansion between the two possibilities.

The majority of opinion seemed to be to go with the Finnish container stock.

**Mr. G. I. Miller:** Can I ask a supplementary? Is container stock being utilized at St. Williams?

**Hon. Mr. Pope:** St. Williams? No, it is bare root, is it not? Bare root in St. Williams.

**Mr. Laughren:** Just two final points. You talked about diversification. What is the latest word on the Grant waferboard plant in Sudbury?

**Hon. Mr. Pope:** From whose perspective?

**Mr. Laughren:** Yours.

**Hon. Mr. Pope:** Okay. We called for proposals for utilization of the hardwood surplus. Of the proposals that came into us—and there was more than one—Mr. Grant's was for the construction of a mill of a certain size, employing a certain number of people, and he indicated he was prepared to move on it.

We then announced that we had made an allocation decision that that surplus be given to the Grant waferboard plant. Their proposal called for the construction of a mill employing a certain number of people.

**Mr. Laughren:** Did you make that announcement?

**Hon. Mr. Pope:** Yes.

The information I have is that subsequent to that event Mr. Grant had difficulty in obtaining federal funding.

**Mr. Laughren:** Federal funding?

**Hon. Mr. Pope:** Yes. There was some question raised at a later date as to the availability or applicability of the industry and labour adjustment program or any funding programs. I believe he is now trying to work with the federal authorities to iron out his difficulties.

I have indicated to him that in the absence of any progress being made towards the construction of a waferboard plant in the area I would allocate that surplus to someone else.

**Mr. Laughren:** There was some provincial money involved too, is that right?

**Hon. Mr. Pope:** He had an interest in negotiating through the Ministry of Industry and Trade. I understood those negotiations were proceeding. The only information I can give you is what I get from Mr. Grant and the media, that there is a problem with respect to federal funding qualifications.

**Mr. Laughren:** Was it the Department of Regional Economic Expansion or ILAP?

**Hon. Mr. Pope:** There was a feeling at one time that it was ILAP. Then a question arose about that in the early part of the summer. Since then, he has been pursuing the Department of Regional Industrial Expansion, as far as I know.

As you know there has been a revolving envelope system there with money flowing in and out of different envelopes. It is hard to track down who is administering what envelopes.

**Mr. Laughren:** I agree.

**Hon. Mr. Pope:** I am not sure who he is dealing with right now. I have not been involved in the financial negotiations.

**Mr. Laughren:** It is the Ministry of Industry and Trade.

The final point I wanted to make which we will be dealing with in our task force report has to do with the ownership of forestry companies. One reason we are concerned is that the forestry companies tend now not to be owned and controlled by local forestry companies.

For example, Abitibi-Price Inc. is owned by Olympia and York, a huge corporate entity which is capable of shuffling its assets around to suit the very large balance sheets. It is hard to envision a great deal of concern about regeneration and so forth in some of the communities of the north when we are dealing with a company of that size which is diversified and has a great many varied interests.

E.B. Eddy Forest Products Ltd. is owned by Weston Bakeries Ltd., and you know how huge that is. Situations like that give us cause for concern. That is why we think it is necessary for

the Ministry of Natural Resources to keep a very close eye on what is going on in the north and why we think we need more foresters on the ground.

It is not a new cause of concern for my colleague, the member for Lake Nipigon. He has been talking about this for a long time. We are increasingly concerned about that. We think it is going to require very close monitoring.

I do not think that is unfair. I think it is natural. Therefore, we are concerned about the failure of graduate foresters to get jobs in the forest industry when we are moving into a time of supposedly more intensive forest management. That is why we are increasingly concerned about the role of foresters in the forests.

I wonder if you have shared any of those concerns.

**Hon. Mr. Pope:** We had a discussion about foresters the other night.

**Mr. Laughren:** Yes, that point has been raised again.

3:20 p.m.

**Hon. Mr. Pope:** The one way in which I think local entrepreneurs and smaller companies can carve out an important function in the forestry industry for themselves, or an important part of the forestry industry, is through their own involvement in forest management agreements.

This is one of the reasons why, in 1981, I put out to the Ontario Lumbermen's Manufacturing Association the fact that I was not only willing to enter into forest management agreements with major nonintegrated operators, but I was also prepared to look at a forest management agreement type of arrangement with groups of operators, with some sort of structure in place that they could all relate to, a co-operative structure among themselves.

I believe that with the objectives of the forest management agreement system of sustained yield and regeneration and harvesting activities tied closely together, there is an opportunity for them to end the economic uncertainty that smaller operators face from time to time through the licensing process and to get longer-term stability in allocation as well as regeneration of the areas in which they are operating. I think that is the best thing that can be done for the long-term economic viability of these operators. It is important for a number of small communities in northern Ontario that that take place.

With respect to forestry companies, the majors, the integrated operators, the pulp and paper

companies, we do agree that monitoring is very important. We believe there are new technologies for monitoring that will be more effective and will free up the foresters for forest management activities.

Through a number of BILD initiatives, we have in place some of the program development we think is necessary to do the proper monitoring, through remote sensing and other aerial survey techniques that we have been working on in the last two years. We think we will have a revolving monitor system in place that will allow us to interpret from digital mapping systems all of the activities that are taking place. That is one of our emphases to make sure the commitment is there.

As I said the other night, there are varying responses from the companies on the employment of foresters as a result of forest management agreements. That is one of the concerns Mr. Stokes raised.

**Mr. Laughren:** There was one other short issue and that has to do with forests on private lands.

Are you intending to change the ministry's policies towards private lands? Do you intend to raise the price of nursery stock substantially—some of these figures are wrong because I am guessing—from \$25 per thousand to \$75? Are you intending to increase substantially the stumpage fees? Do you intend to withdraw management services on these agreement forests? What are your plans with regard to private forest lands?

**Hon. Mr. Pope:** We are putting out a white paper for perusal in April 1984 on forest land and we will look at the response.

**Mr. Laughren:** That is not consistent.

**Hon. Mr. Pope:** The increase in charges this year is five per cent.

**Mr. Laughren:** On forestry stock? Do you have any long-range plans for a more substantial increase? Will that be in the white paper?

**Hon. Mr. Pope:** I have no doubt the price will increase over the years.

**Mr. Laughren:** But not triple?

**Hon. Mr. Pope:** I do not know.

**Mr. Laughren:** There is a white paper coming out, so you will not do anything precipitously before that white paper has been circulated and discussed? Is that a fair question? Of course, it is a fair question.

**Hon. Mr. Pope:** I have not planned to.

**Mr. Laughren:** Okay. Thank you, Mr. Chairman.

**Mr. Chairman:** Thank you, Mr. Laughren. Mr. Miller.

**Mr. G. I. Miller:** Mr. Chairman, I recognize that the wood industry is important to northern Ontario, but it also plays a significant role in southern Ontario.

I have a couple of concerns. First, how is the poplar that was planted at Edwardsburgh? Is that coming along as well as we might anticipate? Second, I understood they were going to utilize a similar program in South Cayuga. I do not believe that has taken place yet. I wonder if you could bring us up to date on what is taking place in those two areas in regard to the fast-growing poplar?

**Hon. Mr. Pope:** In eastern Ontario generally, we wanted some limits on the hybrid poplar program in terms of what quality of agricultural land was put into hybrid poplar production. Generally, a couple of the mills down there, Domtar particularly, are utilizing hybrid poplar in their feed mixture with fair results. They had some problems, including some equipment problems initially in the feeder area, but they have been worked out. We think that the commercial applicability of hybrid poplar has been proven in that area.

**Mr. G. I. Miller:** How many acres were planted?

**Mr. J. A. Reed:** One thousand.

**Mr. G. I. Miller:** One thousand acres, was it?

**Hon. Mr. Pope:** I think so. It is now a five-year harvest cycle there. Do you know how they harvest it? They go along at ground level, leave the roots in there and it just—

**Mr. J. A. Reed:** I was wondering if any research is going on at the present time on the conversion of poplar to animal feeds?

**Hon. Mr. Pope:** Yes. In fact, there were a couple of experimental projects.

**Mr. J. A. Reed:** Some technology is in place in Europe that does this.

**Hon. Mr. Pope:** Yes. In the programs I am aware of, which are in the Kemptville area, they are chopping the entire tree and using it for animal feed.

**Mr. J. A. Reed:** Hydrolysing it, I guess, and so on.

**Hon. Mr. Pope:** Yes.

**Mr. J. A. Reed:** So that information would be available from Kemptville?

**Hon. Mr. Pope:** Yes. It is the Kemptville College of Agricultural Technology.

**Mr. G. I. Miller:** Getting back to the question on South Cayuga, are there any plans for utilizing some of that property for that use?

**Hon. Mr. Pope:** There is some talk about it. I do not think we have a definite program in place at this time for it, but there was some discussion about it last fall, I believe. No, it was last spring.

**Mr. G. I. Miller:** Is it moving ahead then?

**Hon. Mr. Pope:** I think we are doing some planting this coming year there.

**Mr. G. I. Miller:** The second question is about woodlot management again. There are some pretty good hardwood forests in the South Cayuga property and they are being managed and contracted out. The complaints I have had is that they went in—particularly last winter when conditions were not all that great and local people felt they did considerable damage—and tried harvesting when there was no frost on the ground and with bigger equipment.

Would the minister consider giving the contracts on a smaller basis to the individual farmers to harvest those and perhaps take a little more care and caution in the woodlots to protect the second growth that is coming along?

**Hon. Mr. Pope:** I knew you were going to get to that question. I guess the answer is we have not considered that at this point.

**Mr. G. I. Miller:** The other thing was managing woodlots. I think a lot of girdling has been done in the past; they just girdled the tree and left it there to gradually deteriorate.

**Hon. Mr. Pope:** It used to be.

**Mr. G. I. Miller:** Has that program been changed to harvest in a proper manner because there is a good demand for—

**Hon. Mr. Pope:** Yes. I think this was brought up last year, was it not?

**Mr. J. A. Reed:** I think it was.

**Mr. G. I. Miller:** Okay.

**Hon. Mr. Pope:** It is not going on now.

**Mr. G. I. Miller:** Third, the St. Williams forestry station which had an open house this year with the new addition and the new facilities for packing is perhaps one of the larger reforestation stations in Ontario and is doing an excellent job. Do you intend to utilize the bare-root principle? Would that be more successful and have a better survival rate than under the present open-root system? Is there

any anticipation of utilizing that principle with those trees?

**Hon. Mr. Pope:** To some degree, but basically we think the containerized stock program we have in place is the most appropriate one in northern Ontario. We think we are getting some good results from the vegetative cuttings program which is an offshoot of the bare-root program, so we might be doing that.

The other processes could have acceptability on a regional basis that we would not wish to cross out.

3:30 p.m.

**Mr. G. I. Miller:** How does that principle work? Is there fertilizer in with the material that is put on the root?

**Hon. Mr. Pope:** I think so but I am not sure.

**Mr. Stokes:** It is more of a sort of cloning process.

**Mr. J. A. Reed:** I have a supplementary. It concerns southern Ontario and the requests that emerge from time to time by private individuals who would like to take firewood from crown land. I know that in the past some districts have made agreements or allowed individuals to enter areas of crown land to cut. It has not been too successful because of wrong species being cut or perhaps because of the woodcutter himself not understanding what he is in there to do.

I think I did mention this in last year's estimates. I periodically get calls from people, presumably of modest income, who live in small towns in southern Ontario who would like to be able to harvest firewood. There are quite a number of crown-owned woodlots in southern Ontario that would be available for the purpose. While it is easy to recognize the shortcomings of such a program and the difficulties that present themselves, none of these are insurmountable if there is either some monitoring or training or whatever.

I am just wondering if the minister has been presented with such requests and if he has responded at all or if it has become any kind of an issue in any districts?

**Hon. Mr. Pope:** We issue thousands of permits every year for fuelwood cutting on crown lands.

**Mr. J. A. Reed:** In southern Ontario?

**Hon. Mr. Pope:** Yes, although it is restricted in southern Ontario because of the availability of crown lands; there is no doubt about it. We have some concerns about a large number of

these fuelwood permits being given out in southwestern Ontario because of the potential impact, but we do give them out in many regions in Ontario.

**Mr. J. A. Reed:** My information is that in at least one district it was temporarily cut off.

**Hon. Mr. Pope:** Yes. There were difficulties experienced.

**Mr. J. A. Reed:** I am wondering how you were able to overcome that.

**Hon. Mr. Pope:** It could be cut off if there was an assessment that the available wood supply could not withstand continuous fuelwood cutting. It might be reinstated at a later date.

**Mr. J. A. Reed:** This had more to do with the apparent dissatisfaction of the ministry with the way it was being handled.

**Hon. Mr. Pope:** What went on, yes. It is possible, too, if there was clear abuse of the permit privilege and literally no concern for the surroundings.

**Mr. J. A. Reed:** But you are certainly still doing it?

**Hon. Mr. Pope:** Yes.

**Mr. J. A. Reed:** Okay. Thank you.

**Mr. G. I. Miller:** I think those are all my questions in connection with forest management. However, there is one other area for which the Ministry of Natural Resources is responsible, and that is the gas and the development of what I guess I would call the mining resource. Is there an expansion in that field and development of our natural resources in Ontario? Is that a priority within your ministry at the present time?

**Hon. Mr. Pope:** We are responsible for oil and gas leases and there are a number of projects that have been put forward and a number of companies from western Canada that have indicated an interest, particularly in Lake Erie. I would say there is heightened interest and some additional activity that we would like to encourage, but there are transportation capacities and all those other issues that relate to entry into a supply system that are a concern to some of the potential producers from the southern Ontario sites. From time to time, those issues arise in our discussions. Generally speaking, though, there is increased activity in the Lake Erie area.

**Mr. G. I. Miller:** I would like to bring the minister up to date now. At the present time, a new six-inch line is being put in from just east of Port Dover into the main high pressure line of

Union Gas, which is a distance of some 10 miles. Those wells have been sitting there for a long while and they are finally going to come in on stream.

The only thing that really concerns me is that the line can run down the road and people cannot have access to the gas because of the high-pressure nature of the line. I have discussed with the Minister of Energy on several occasions that there should be a program so that the local people can utilize the gas.

I would like the minister to be aware of that and to ensure in any discussion of licences being provided that local access is maintained and utilized. If you give the right of way and if you cannot hook into the gas, it seems to be discriminating against those people who could have access to it.

**Mr. Chairman:** Does the minister like to comment?

**Hon. Mr. Pope:** No, except to say no. I will take note of the comments, but once they hit the pipe, it is sort of out of my jurisdiction. But I hear what you are saying, and it is one of the issues that could be discussed with producers.

**Mr. Chairman:** Mr. Stokes, did you have a question on this vote?

**Mr. Stokes:** Yes, I have.

I am encouraged by what I hear the minister saying. My colleague dealt with what had gone on in the past pretty well and covered it more than adequately. I am heartened that you are doing your level best to upgrade the information that will be available from your ministry.

In the light of your experiences with the forest management agreement since 1979 covering 37 per cent of the licensed area, I am more concerned about the area still under licence and those that will not be under licence. We covered that the other night, so I will not repeat it here.

I am interested that you are finally putting the emphasis on either extensive or intensive forest management by working on a classification of lands to identify the most productive sites and spending your money using the highest quality stock available to get the biggest bang for your buck.

I know that this involves access, regeneration, stock and method of harvesting. I had an opportunity, travelling in the northeast, to look at the tree-length cutting and the full-tree method. You really have to get in there to see it, to see that it has such tremendous potential by using wide, balloon-tired machines on sites where the water table is very high and the ability

of a particular area to regenerate itself is in large measure a result of how much disturbance there has to be in those very fragile sites to make them most conducive to regeneration.

You can go there and see these vehicles that have tires 64 inches wide, almost in a bog where there is a good productive forest, but unless you treat it very carefully or else go in during the winter when it is all frozen over, right there the decision will be made as to whether you are going to get a second forest of a species.

**3:40 p.m.**

I see all those things as pluses. I know we did pay tribute to Abitibi-Price in Iroquois Falls and, to some extent, Spruce Falls Power and Paper in Kapuskasing. As I say, I liked what I saw. I think they are much farther advanced in using the kind of technology available to deal with those fragile sites, not only from a harvesting point of view but also from a regeneration point of view. I do not see that in many areas in the north-central and northwest region because the sites are different and they have to treat them in a different way, but I see some reason for optimism.

I promised I would raise this, and I am doing it by way of a question. It is a matter of tending, how you do it to lessen the competition and how we are going to get the biggest bang for our buck. I do not know whether you will have time to respond to this, but I think it is important that we get this on the record. While I am not advocating that you use this as the only tool, it is one of the tools that people in your ministry are saying must be used, as are people in the industry. I think it is important to get this on the record.

For that reason and for another reason—if the uninitiated were reading this and were to take it at face value, they would say, “Who are we going to believe?”—I think it is important. It was an article that appeared in the *Ottawa Citizen* under the headline, “Lack of Brush Killers Hurting Forest Industry.” I quote:

“Ontario foresters, running out of chemical ammunition to use in their troubled woodlands, are battling Agriculture Canada for more supplies.

“Provincial official Ron Carrow”—I understand he is with your ministry but on loan to another jurisdiction, and you are hoping to get him back—“backed by foresters across the province, says there is a desperate need for brush killers to replace 2,4,5-T, which was banned in Ontario last year.” That would have been 1980.

“They have asked Agriculture Canada, the

ultimate ruler on chemical use, to speed up the two-year-old safety review of a promising replacement called glyphosate, sold under the brand name Roundup.

“Roundup is one of 117 chemicals originally safety-checked by a Chicago lab which fudged many of its test results. The federal government still has 80 compounds on the suspect list and will not license them for new uses until their safety review is complete.

“Unless the government puts a priority rating on Roundup, Carrow and his colleagues at the Ministry of Natural Resources fear the chemical will be embroiled in the controversy for another three years.

“‘There is a real feeling of desperation about the situation because we just don’t have the tools we need to do our job,’ says Carrow, pointing to 500,000 acres of prime timber land in need of chemical attention.

“Rapid-growing poplars, birches and wild raspberries are strangling coniferous seedlings planted after spruce trees are harvested by the paper and lumber industries.

“Without herbicides such as 2,4,5-T or Roundup, it is all but impossible to stop the hardwoods—which have little value as their cellulose fibres are too short to make strong paper or furniture—from taking over.”

If someone were reading that, he would get the impression that anything that is not a coniferous tree is just a weak species. That may very well have been the thinking or the psychology five or 10 years ago, but we are sure as heck not at that stage now.

“‘The bottom line is that there is only one material registered that we can use and it’s 2,4-D,’ says Carrow, adding the common dandelion killer has little effect on poplars, raspberries or grasses choking the seedlings.

“‘That’s why it’s so important Roundup get a priority review,’ says Carrow.

“Unlike farmers, who had a number of alternative concoctions to replace 2,4,5-T, Carrow says foresters were ‘victimized’ by the ban since there were no suitable replacements registered for use in woodland aerial spray programs.

“To add insult to the foresters’ injury, Agriculture Canada lets farmers spray Roundup on their fields since it was registered for that use before the safety question arose in 1977.

“‘Basically they (Agriculture Canada) are saying they don’t mind people eating it, but it’s not okay for the forests,’ says Duncan Naysmith, forestry director for Abitibi-Price Inc.

“Agriculture Canada official Wayne Ormro

refuses to say whether or not Roundup will be given priority treatment, saying only his department has tried to adopt a 'fair and equitable' approach to the matter.

"The safety review problems have both foresters and environmentalists calling for a review of Agriculture Canada's role as the country's pesticide ruler.

"The environmentalists argue Environment Canada and Health and Welfare should regulate pesticides as Agriculture Canada has a vested interest in promoting chemical use.

"The foresters argue their \$20-billion-a-year industry—which reaps annual exports that exceed agriculture, mining and fishing combined—and their chemical problems are not getting the attention they deserve from Agriculture Canada.

"Carrow shares that concern but has much sympathy for federal officials now trying to figure out what to do with the suspect chemicals.

"The really unfortunate irony about our current problems is that the chemical companies (manufacturing the suspect compounds) would have easily cleared up the mess themselves. If they had any corporate responsibility, they would have gotten busy with retesting in 1977 and everything could have been straightened out by 1979."

"But instead, Carrow says, 'the companies chose to capitalize on the situation by continuing to market their products' while federal officials Canada and the US were left to sift through the suspect safety tests and decide which chemicals should be hauled off the market.

"The federal review began in 1978 and is now expected to drag on until at least 1984. About 30 chemicals have been cleared of the scandal, 80 remain on the suspect list, two have been banned and another ban is being considered.

"For Ontario foresters, the chemical shortage could not have developed at a worse time because the province and five paper companies have just signed agreements to whip the long-neglected woodlands back into shape.

"They say the province must get serious about all aspects of forest management, including herbicide use, to ward off the looming lumber shortage caused by years of sloppy forestry programs.

"Carrow explains with specialized herbicides such as Roundup to free conifers from the competition for sunlight from grasses and hardwoods, it would be possible to regenerate a coniferous forest within 40 years. The chemicals knock out the hardwoods and leave the conifers untouched.

"Without the chemicals, the regeneration would take more than 80 years. Nature's way is to let the hardwoods control the forests for the first 30 to 40 years.

"Carrow estimates as much as 30 per cent of all the reforested lands in Ontario—150,000 acres a year—should be chemically treated.

"This year only 70,000 acres will be sprayed with 2,4-D, but under the new agreements with industry, the province-wide spray program is expected to double to 150,000 acres a year, Carrow said, adding the 500,000-acre backlog also needs treatment.

"Environmentalists, meanwhile, couldn't be happier that the foresters are running short on chemicals. They say if the industry is so desperate, it should be putting people to work instead of chemicals.

"Pollution Probe's Monie Campbell says there's a good chance the industry could find nonchemical alternatives if forced to look for them.

"Carrow responds: 'It's easy to be dead against chemicals when you don't have to take responsibility for what's happening in the forests. The use of herbicides is increasing and I think everyone (in forestry circles) agrees that it should.'

"There are a number of reasons why using people instead of chemicals does not make sense, he says. Topping the list is the difficulty getting unemployed city folks to work in the forests with the black flies.

"We have a terrible time trying to get white people into the bush," says E. B. Eddy's Jim Waddell. His firm had to fly native people in from northern communities to plant the trees this spring.

**3:50 p.m.**

"Secondly, the labour costs involved in doing the job manually would be prohibitive. It is estimated it would take 1,300 workers and \$17 million to clear a mere 60,000 acres of unwanted overgrowth.

"Even if we could logistically get enough people into the bush, the health hazard involved with all the saws would surely be greater than any possible hazard from the chemicals.

"All things considered, the most practical and rational way to attack the problem is with a carefully controlled spray program."

"The new forest management agreements give the job of replanting and maintaining a good chunk of Ontario woodlands to the paper companies.

"Carrow and his colleagues at the Ministry of

Natural Resources are still in charge of most of the forests, however.

"The companies, which have long maintained the province was doing a sloppy job, feel they will take better care of the forests 'as we have a vested interest at stake,' says Waddell of E. B. Eddy. He says: 'It is our future.

"The country has got to realize there is going to be a real forest shortage 30 to 40 years down the road if something is not done today."

"While new forest management agreements are a start, Waddell says: "It is really just the tip of the iceberg. There is a tremendous effort required."

Minister, what say you?

**Hon. Mr. Pope:** I look forward to those gentlemen participating in that tremendous effort, with their money as well as with their intentions. I do not think there is any doubt at this point that, comparatively, the cost efficiencies are on the side of aerial application of herbicides. Last year, 1982, we sprayed 14,300 hectares for a total cost of \$325,575. That cost is \$22.75 per hectare, which gives you some idea of the costs associated.

The Roundup problem still has not been solved. There is an indication that it has been deemed to be noncarcinogenic in the most recent material provided to the Department of National Health and Welfare and to the federal Department of Agriculture. There is still no registration of it at this point; so I assume they are going through further verifications and processes.

**Mr. Stokes:** Could you say that for a fact, though? I raised it with Keith Norton last year when he was with the Ministry of the Environment, and he said we have all the tools we need. That is not what is being said here, and that is why we have got to get these people together.

**Hon. Mr. Pope:** I know one of the problems is getting the people together. There is a move as well towards bacteria application in pesticides—bacteria as well as chemical. In the whole area of pesticides and herbicides, the industry and the governments are starting to come together to discuss the problems and to look at the alternatives.

We have been pushing for bacteria registrations and for other potential sources to combat infestations and disease. We do have the manual in the Legislature that controls the way the applications are done and who does them. I think it is too early to say whether we are going to be moving away from 2,4-D.

We do not have any indication at this time that 2,4,5-T is going to be registered. There is some rumour around that it may be registered in 1984, but whether that relates to the Nova Scotia case or not, I have no knowledge. It will be up to the federal departments to make that final decision on 2,4,5-T.

**Mr. G. I. Miller:** I thought Roundup killed everything. Are the coniferous trees supposed to survive that?

**Hon. Mr. Pope:** Yes.

**Mr. Stokes:** So say the foresters.

**Mr. G. I. Miller:** When the farmers apply it on the field, it kills the ground completely.

**Mr. Stokes:** Maybe the concentration was much stronger.

**Hon. Mr. Pope:** It is not just the chemical itself; it is the emulsifiers. I do not know much about this, but it is the emulsifiers and the reagents that are mixed with it. It is important to consider the concentrations of the different mixes and emulsifiers. A lot of that is in the manual. There are some requirements for that.

**Mr. Stokes:** All right. You promised you would give me the number of acres each forester is responsible for. I quoted Mike Innis, chief forester for Abitibi and past president of the Ontario Professional Foresters Association, who said, "We have one forester for every million acres, as opposed to one forester for every 50,000 acres down in the southeastern United States."

You brought their technology transfer back, but you did not bring the ratio of foresters to acres. Do you have those figures?

**Hon. Mr. Pope:** Yes, I think I do. It gets down to what you consider to be forest land.

**Mr. Stokes:** Depending on whom you talk to.

**Hon. Mr. Pope:** That is right. I guess the Ontario Forest Industries Association had a chart with all sorts of inclusions, deductions and assumptions built in which caused us to disagree, in part, with their interpretation.

As I indicated before, there are 210 people in MNR with forestry degrees who are working in forest management. The estimated number of people with forestry degrees who are not working in forest management is an additional 177. If you are saying there are too many foresters in the upper echelons of the ministry, I wish Bill were here for this, because this is something I say.

The other issue that has to be addressed when comparing the United States and Canada is

whether foresters are doing forest technician work in the United States, and is it the same division of responsibilities? I cannot answer you one way or the other.

According to our analysis, there are two foresters and 5.25 forest resource technicians per million acres of productive forest land, including patents.

**Mr. Stokes:** Including technicians?

**Hon. Mr. Pope:** No, two foresters and 5.25 forest resource technicians per million acres of productive forest land, including patents. We arrive at this figure by saying there are 210 foresters with degrees and 550 to 570 forest technicians, for a total of 105 million acres of productive forest land in Ontario.

However, with deductions for accessibility, operability and parks reserves, the effective productive area is 60 million acres. This is where the big argument comes in. This translates to one forester or forest resource technician per 77,000 acres.

**Mr. Stokes:** One forester or technician?

**Hon. Mr. Pope:** Yes.

**Mr. Stokes:** For every 77,000?

**Hon. Mr. Pope:** Yes. However, this does not include industry foresters and technicians working in forest management, which may add another 25 per cent to this figure.

**Mr. G. I. Miller:** I have one question relating to rabies control using vaccine from the air. This was undertaken when the late Jim Auld

was the minister. How successful was that? There seems to be an increase in rabies.

**Hon. Mr. Pope:** It is cyclical and develops in different areas. We have a number of ways of predicting it and we do take preventive measures. The Ministry of Health also has an advertising awareness program. We have also made progress in the introduction of a rabies vaccine. There are two different kinds, a live vaccine and a dead vaccine, and we are experimenting with both.

There is a group of biologists and other specialists who have a committee that reports to the Ministry of Natural Resources and they do research through a variety of mechanisms, including at the universities. They do drops of bait spiked with poison in certain selected areas, but it is not in inhabited areas generally.

**Mr. G. I. Miller:** In remote areas?

**Hon. Mr. Pope:** Yes.

**Mr. G. I. Miller:** So it is being done on a yearly basis. Are you still doing it then?

**Hon. Mr. Pope:** Yes.

**Mr. Chairman:** I think it is time to draw this little party to a conclusion by having a couple of votes here.

Vote 2504 agreed to.

Vote 2505 agreed to.

**Mr. Chairman:** This completes the estimates of the Ministry of Natural Resources.

The committee adjourned at 4:01 p.m.

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### **From the Ministry of Natural Resources:**

Foster, W. T., Deputy Minister



No. R-21

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# **Hansard**

## **Official Report of Debates**

### Legislative Assembly of Ontario

**Standing Committee on Resources Development**  
Estimates, Ministry of Municipal Affairs and Housing

**Third Session, 32nd Parliament**  
Tuesday, December 6, 1983

Speaker: Honourable John M. Turner  
Clerk: Roderick Lewis, QC

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# LEGISLATIVE ASSEMBLY OF ONTARIO

## STANDING COMMITTEE ON RESOURCES DEVELOPMENT

**Tuesday, December 6, 1983**

The committee met at 8:02 p.m. in room 228.

### ESTIMATES, MINISTRY OF MUNICIPAL AFFAIRS AND HOUSING

**Mr. Chairman:** I recognize a quorum. I call the meeting to order.

Tonight we are here to review the estimates of the Honourable Claude Bennett, of the Ministry of Municipal Affairs and Housing.

I understand that the minister has spoken to the opposition critics, and they are going to go with a format of introductory remarks from the minister and the two critics—and then what, generally divide the time between votes?

**Hon. Mr. Bennett:** The division of time rests with the committee. I spoke to Mike and to John. John, I think, spoke to you, did he not, Herb? I guess perhaps Mike spoke to you as well.

I had said, and I was very sincere when I said it, that I think I can come in here with an 80-page or 90-page statement and we can go over the history of housing since the beginning of time, spend a lot of time and not really accomplish a great deal.

As far as I am concerned, a more productive way for us to get on with the estimates is for me to give a very short, four or five page overview of the ministry and have the same from the Liberal Party critic and the New Democratic Party critic.

Then what I would do is have a few opening comments to make on Vote 2401, and then if we wish provide an opportunity for some of the people in the ministry—not for any length of time—to present an overview or make a few general remarks re the ministry and some of the things it has undertaken in the last year.

For an example, in the first vote, we would like to have an opportunity to present to you what we are doing with the Ontario Building Code, which has now been transferred to the Ministry of Municipal Affairs and Housing, and what our long-term objective happens to be in that field.

**Mr. Breaugh:** Just before you start, I would like to ask the committee's concurrence on one matter. Because our caucus split this responsi-

bility, we would like to split the opening remarks. We did that last year. Is that okay?

**Hon. Mr. Bennett:** You do too, Herb, do you not?

**Mr. Epp:** Yes, agreed.

**Mr. Chairman:** Agreed. No problems.

**Hon. Mr. Bennett:** This is the fifth opportunity I have had to present estimates for the Ministry of Municipal Affairs and Housing. For the first three years it was Housing only.

In each of those presentations, as I have already said, I tried to describe at some length the initiatives and the various things we are doing within the ministry. That process usually started with a very long, drawn-out statement by the minister. In turn, this was usually responded to by the opposition parties with long, drawn-out questions and answers, sometimes not very directly related to the subject and at times dealing more with philosophical points of view.

As I said, this year I propose to alter the approach and thereby allow more opportunity for all of us to explore the issues, trends and directions in which the ministry is headed this year and in the years to come.

I want to keep my opening remarks very brief. As a prelude to this discussion and the individual votes of each program, I would like to highlight what we perceive to be the major trends and issues that will have to be addressed in the next period. Through this means I hope each of you will acquire a better appreciation of the constraints and the issues we face as a ministry.

I also sincerely hope that in the discussion that follows we in the ministry will get some valuable advice and comments on our current and planned initiatives within the ministry.

Before we proceed to such a discussion, I would like to give the committee an overview of the more significant changes in our financial and human resource requirements which have occurred since the fiscal year 1982-83, with particular reference to this ministry's contribution to the government's efforts to restrain expenditures.

First, you will note from the printed estimates for fiscal 1983-84 that the total financial require-

ments of the ministry have decreased by approximately \$34.4 million from those of the previous year. This is mainly due to the planned winding down of some major programs, such as the Ontario rental construction loan program, the Ontario renter-buy program, and others that are referred to in the background material you received some time prior to today.

These reductions, totalling almost \$112 million, are partially offset by expenditure increases of \$77.6 million, due mainly to the growth in Ontario Housing Corp.'s assisted housing portfolio and that corporation's higher operating costs arising from the 1983 unconditional grants to municipalities—which were payments in lieu—for a net decrease of \$34.4 million in the 1983-84 requirements.

Over and above the financial resources referred to in the 1983-84 printed estimates, the ministry's supplementary estimates tabled in the Legislature in October identified an additional \$7.1 million as the initial funding required for program initiatives to encourage residential and nonresidential building conversions to create new rental housing units and the rehabilitation of older rental buildings in various communities.

This amount also included the provision of repayments to the ministry of the Ontario home renewal loans by home owners residing in unorganized territories. This is to be recycled as loans to other low-income home owners in the unorganized territories.

Turning now to our efforts to improve productivity and decrease salary and other administration expenditures, I would like to state that over this year and the last more than 175 permanent positions will have been eliminated across the ministry and its agencies.

In addition, reduced use of contract and temporary staff has resulted in a further salary reduction equivalent to a decrease of about 20 person-years of labour across the ministry. Of these staff reductions, I want to point out that 12 were at the director level and above. This represents some 26 per cent of our executive strength.

**8:10 p.m.**

Improved operation efficiency and rationalization of our organizational arrangements have enabled us to decrease the ministry's 1983-84 base for operating expenditures on items such as transportation, communications, services, supplies and equipment by \$2.2 million.

Finally, our recent move to new accommodations at 777 Bay Street, in the College Park complex, has resulted in a direct reduction in

space needs of some 15 per cent. In addition, by centralizing all elements of the ministry from eight locations to one we are undoubtedly going to realize savings in staff time and I would hope a marked improvement in the internal communications of the ministry.

As I have said before to this and other committees, we are responding to this new reality of restraint and change. We are rationalizing and streamlining our internal operations while finding better and more efficient ways to maintain effective delivery to our many and varied client groups, and most important to the public at large in Ontario.

**Mr. Chairman:** Thank you.

**Hon. Mr. Bennett:** Floyd, did you come in early or late?

**Mr. Laughren:** Just now.

**Mr. Epp:** He heard the whole thing.

**Mr. Laughren:** I did not hear you mention Sudbury and the housing problem.

**Hon. Mr. Bennett:** You did not hear me mention Ottawa either.

**Mr. Chairman:** We will get an opportunity to talk about Sudbury in a few moments I am sure.

**Mr. Epp:** Mr. Chairman, I do not know about you but I am always somewhat frustrated by the estimates because of the process we go through. You have served on council and in business, I presume. When you discuss estimates you hope you will have some impact on them, yet in this environment and in Ottawa you discuss estimates eight months after the budget has been brought in, and in the whole litany of figures and so forth there is never an opportunity to bring about any change. I find that very frustrating.

The only time we really had any great impact on the budgetary process was a few years ago when the minister wanted to build that Cantrakon project on the Niagara Escarpment. We were prepared to bring in a motion to reduce his salary to \$1. He then reneged on the project and it was cancelled shortly thereafter; it was never built.

So I suppose to that extent we had some impact on the project he wanted to build because of the threat that his salary would have been reduced to \$1. He will deny it, of course, but all the events fell into place. The project he had so adamantly supported prior to that was never built. I recall his statement in the House on a Friday morning when he said he was changing his mind somewhat and was deferring the decision and so forth.

The fact is, however, one never really makes much of an impact through the procedure here. I wish this Legislature would deal with that difficulty some time in the future. It is a very frustrating experience for all of us. The member for Oshawa (Mr. Breaugh), as a member of the procedural affairs committee, knows that. We have discussed it from time to time but we have not made much progress. Until the Premier (Mr. Davis) makes up his mind there has to be some major change I do not think there will be a change as far as the process is concerned.

Be that as it may, I am glad the minister zeroed in on what I think is very important, that is the restraint program. However, there are people who might see it differently from the way he sees it, people who try to look at it more objectively.

If we look at the restraint program we find that a number of the programs have been cancelled. Maybe that is a form of restraint, but a lot of those programs were creating a lot of jobs and were particularly well supported by the municipalities. For instance, there was the Ontario home renewal program through which millions of dollars were saved—I will get into that in depth later on.

A lot of municipalities wrote letters to us—I received correspondence from more than 200—indicating they were pleased with the program. It was described from time to time as the best single program the province has initiated. A lot of municipalities were happy with it. Yet it was dropped, seemingly because of its success. It was creating a lot of jobs for a lot of individuals; it was labour-intensive and so forth.

So I was interested when the minister spoke about the restraint program.

Now, if I may, I want to read an editorial which highlights the restraint program in Ontario. It is headlined: "Restraint's the Word."

"A report that Ontario spent more money on promoting a new grant program than on the grants themselves should surprise no one who has followed the Davis government. Still, the news that Housing Minister Claude Bennett has so far disbursed \$145,000 in convert-to-rent grants, plus \$224,000 to advertise the scheme would jolt the taxpayer all over again. Add the fact that the accident-prone minister is also spending \$100,000 on his executive office and one wonders whether Bennett can say 'restraint' and chew gum at the same time. He probably can't.

"In fact, one wonders whether any minister in this government has a clue about a word they

use at the drop of a campaign contribution. Not to worry. At Queen's Park there is always money for another poll and for a little more advertising to tell the folks they really like what Bill Davis and his boys are doing to them and their beautiful province."

**Mr. Laughren:** Who wrote that? It sounds partisan.

Interjection.

**Mr. Epp:** No. That is part of an editorial from one of Ontario's and Canada's leading newspapers, the Kitchener-Waterloo Record.

**Mr. Laughren:** No kidding? Very objective.

**Mr. Epp:** I think it highlights restraint, because it tells us—

**Mr. Laughren:** It gets right to the heart of it.

**Mr. Epp:** —that whereas these programs where people were able to pick up jobs—maybe an extra \$1,000, \$2,000 or \$3,000 in jobs for the Ontario rental construction program—whereas these programs are shelved and the minister can spend \$100,000 on his office or \$224,000 on advertising a program that initially paid out \$145,000. That reflects the priorities of the government.

I think that is where we are at. It is a matter of priorities. The priorities the government has chosen are not those that would reflect favourably on the people out there who really need the jobs and the—

Interjection.

**Mr. Chairman:** I am sure he is listening.

**Hon. Mr. Bennett:** As is the case in the House, there is a certain ability to listen to both sides at the same time and not get a hell of a lot of common sense out of either one.

**Mr. Laughren:** You mean there is no sense on this side of the House, is that what you said?

**Hon. Mr. Bennett:** No.

**Mr. Epp:** Are you finished now?

**Mr. Chairman:** Okay, we are ready.

**Mr. Epp:** I think the comment in that editorial does reflect the priorities of the government and I think it reflects the priorities of this minister, period.

**Mr. Chairman:** Thank you, Mr. Epp.

**Mr. Epp:** That is all for now.

**Mr. Chairman:** I do not know what we will do with all this time we have left over.

Interjections.

**Mr. Chairman:** We had better cut a few hours out.

**Mr. Breaugh:** Mr. Chairman, I wanted to go over a couple of things to lay out some of my principal concerns.

As I went through my files to get ready for this it occurred to me that one of the things that hits you as you look at correspondence you receive from municipalities and newspaper clippings and other sources of information we have, is that the biggest single issue in municipal politics these days is taxes. I suppose that has always been the case, but more and more you see municipalities reverting to alternatives to the property tax technique.

More municipalities are attempting to find other ways to raise revenue. More are into what are called user fees or levies of different kinds. More of them have dipped into traditional piggybanks, such as reserve funds of different sorts, to try to keep in line with what was not so long ago an extremely popular thing—that is a restraint program—and still retain some flavour of popularity. I found this approach quite unusual at the Association of Municipalities of Ontario conference this summer in talking with a group of people who only a year ago were really on the restraint bandwagon.

Speaking of conferences, I was in Ottawa for the Federation of Mayors and Municipalities conference. The whole conference was designed around different ways to contract out work and practise restraint, new techniques for raising additional moneys, the approaches used by different municipalities around lot levies; all of that was the focus of attention.

This year I found a little different mood. People recognize that restraint is a nice word, but practising the kind of fiscal restraint this government has imposed on municipalities is often a very difficult, awkward and unfair thing to impose.

**8:20 p.m.**

I ran into a number of people who said: "The basic premise of all of this is something I support, but even I have to admit that when you go to the lowest income group on your salary scale and apply the same percentage increase to them as you do to people at the head of our planning department or our public works department, that is unfair; and we have to look those people in the eye and tell them: 'This is all you are going to get.'"

I think what has happened is that we have gone only part way through this restraint process and a lot of people have recognized that although they favour not spending a whole lot of tax dollars, there is a point where you have to

deal with the practical ramifications of putting into practice the programs of people who think up simple formulas to solve very complex economic problems. That generates unfairness.

In fact, I think the current restraint program being debated in the Legislature tonight is, in part, a reflection of that. It perhaps has more to do with court decisions than anything else, but I think it is a fair reflection that even those most ardent advocates of a restraint program recognize there is a hard edge on it that is unfair, that they do not want to carry through with any more.

I want to comment a bit on the municipal budget process, because it is so different from what is practised in this House and in the federal Parliament.

It is amazing that one level of government in Ontario can do a budget process which is by and large open, which allows the population to at least see what is happening, which allows a council to debate in public before it is fact what the fiscal policies of a municipality will be and to establish publicly what its priorities are—that all of that can happen at one level, the municipal level, yet when you move to the two senior levels of government the entire opposite is the case. All of that is done secretly, supposedly; all of that is done behind closed doors.

Although we have heard a couple of musings that this current Treasurer (Mr. Grossman) intends to at least publish some position papers or background papers before he proceeds, it will still be true next spring when this House sees its budget for the first time. On that occasion once again the Treasurer will stand up and read a document that virtually no one else in the Legislature has seen before.

Contrast that process with the municipal process, where what you have is the building of a consensus as to the right way to go about things.

I followed the efforts of various municipalities in attempting to put together something which was fiscally responsible, in part generated by their tradition of working out a consensus among people on a council as opposed to one person establishing a policy and everybody standing up at the appropriate moment. It was interesting to watch the fluctuations. The predictions of 20 per cent increases in property taxes, the distinctions some wanted to make between what was being allocated for a municipal property tax portion and what was being allocated for school boards.

I noticed that more and more municipalities

want to drive home the point that a lot of what they are levying in the form of taxation does not go to the municipal council: it goes to the school board, it goes to the conservation authority, it goes to a police commission, it goes elsewhere. They are making those distinctions more and more as the crunch becomes more and more severe.

The end of the process was not nearly as dramatic as many had predicted—though in a few municipalities it was. The end of the process, in my judgement, was pretty simply that people drained the piggybanks. People sought out additional sources of money and attempted to keep the mill rate as stable as they could. In many cases that was difficult to do. In part, perhaps, that was with re-election in mind. However, I think in the main municipal councils realize that the property tax has pretty much reached the saturation point. People formerly looked on property tax as a minor amount of money that you paid to your municipality each year. In more and more cases it is getting over the \$1,000 mark and is becoming a substantial chunk of money.

The second largest file that I have, oddly enough, is about unpaid taxes. More and more municipalities are paying a lot more attention, again for a variety of reasons, to those properties on which taxes have not been paid. In some communities—Windsor would be one notable example, although I can think of others; Oshawa was on that list for a while—the number of people unable to pay their municipal property taxes is becoming substantial.

It is becoming a bothersome problem in a number of municipalities and a variety of techniques are being used to counteract that. Some, I must say, are not too palatable. The unpaid taxes problem is one which, I think, is going to get aggravated. It is not going to go away and we will have to deal with it in a number of ways. Later on in the estimates I will attempt to do that.

Assessment was the third largest controversy surrounding Ontario. Although it is not the direct responsibility of this ministry, there is no question that it is a grave problem for the people sitting on councils out there. This ministry, in part, did not do much to help them by getting a paper put on the table somewhere that talked about substantially changing the way grants are allocated to municipalities.

If there is one variation at work out there—some change in assessment—and a second variable enters the picture, which is a fairly

substantial portion of the population having difficulty paying property taxes, then you have two big problems on your plate. By throwing into that mix a change in the way grants are allocated, or at least the way the grants are worked out—the discussion seemed to centre around the rather simple notion of going from a per capita basis to a per household basis—you really generate a lot of fire and fury around Ontario.

Many municipalities were trying to figure out what exactly this would mean. The grant process is an incredibly complicated piece of business in Ontario, one which I think few people really understand. When you get right down to it, it has a lot of good old-fashioned pork barrel politics attached to it about who can come up with the right set of criteria when applying for grants for this, that and the other thing. There is still a heavy element of who knows who, who can visit most, who can lobby most, and who can make the best argument in the back rooms.

There is a great deal of turmoil out there in trying to assess what is happening financially at the municipal level. The turmoil is being sorted out in a public way. It does not happen federally or provincially, although I wish it would. It is causing a lot of concerns. The options are slowly but surely being limited. I think we are at the point where there will be some rather nasty decisions reached at municipal councils across Ontario this spring as they try to put together a budget which, quite frankly, is going to be infested with other problems. The most noted one will be the legislation that is being debated this evening.

I feel quite strongly that municipal councils have been set up as the fall guys in this process. They will be the villains who have to tell their employees, "There is not really a law that says your wage package has to be restricted to five per cent. All they told us is that we are only going to get five per cent, so we do not have the protection of a legislated restraint program."

Employees have just come through a very bitter year under a legislated restraint program involving some often very complicated arbitration processes. Caretakers in schools and outside employees working for municipalities, for example, thought they were being gyped out of even the little bit the legislative program would give them. That feeling of resentment has been building for well over a year.

They are now going to have to go back to the bargaining table and come up with salary agree-

ments in a very difficult context. My personal feeling is that, unfortunately, it is going to generate a great deal of labour animosity around Ontario at the municipal level. It has been my experience that strikes do not happen over monetary items in one given contractual year; they build up over a number of years, usually over monetary and nonmonetary items.

Most notably, we get strikes when people feel they have been treated unfairly over a lengthy period of time. Unfortunately, that just about directly coincides with the status of most municipal employees. I think there will be a lot of problems for the labour force which is out there working for municipal councils.

8:30 p.m.

In starting off these estimates, I will say I believe one other area deserves some mention. Last year here we discussed at some length—with strong feelings on all sides—that it was a good idea when governments want to create work to go to other levels of government that may have things that need to be done, work that has backed up. In whatever limited manner, it was successful; programs such as the Canada-Ontario employment development program utilized that. One level of government wanted to create some jobs and another level of government had a backlog of things it had been planning to do for some time but in a restraint period could not or would not do, so they matched very nicely.

It is my impression that is still very much the case. There are still a lot of municipalities that have, for example, been planning to revitalize downtowns to help people in low-income houses stay in their homes. It is true that we have had, for example, programs for rental accommodation and for local neighbourhood renewals. In some cases, those programs are still in existence in name only and for others there is still some limited financial backing.

I think we are at the point where we have identified a good way to proceed if we want to do two or three things. One is to spend money sensibly. I am an advocate of that and I hope most people are. Another is to utilize a need that has been clearly established at the municipal level. I am aware of planning studies that have been going on for some time in municipalities around Ontario. I think an infusion of provincial and federal moneys at the municipal level could be used wisely to accomplish several things. It would help people stay in their homes, which I think is still one of our prime purposes; it would help municipalities across the province increase

their assessments; and it would help businesses in many of our downtown centres stay alive, if not prosper.

It seems to me that all signs point to the same thing. Right now, just going into a new year at the end of 1983, we are in a good position to move if we want to to provide, not a traditional winter works program of digging holes and filling them in, but a very meaningful job-intensive program of employment for the winter.

I am saddened to say I do not see that program in force to any degree. I am not really interested in tokenism and I am not interested in good advertising campaigns. I am interested in doing two things: first, helping out municipalities that need that help now, and I believe rather desperately; and, secondly, providing a lot of people in Ontario with more than a hope this winter that they are going to win a lottery. It will give them a chance to work, to have meaningful employment and to resolve some of the municipal problems which have been backing up over the last four or five years.

I regret I do not see that program in place. I can find some tokenism and I can find some good ideas without a whole lot of funding behind them. It strikes me we have missed the boat again. The opportunity was there to bring us out of a recessionary period, to provide meaningful employment for our people and to provide some sensible financial assistance to municipalities. I wish we had done that.

Mr. Chairman, those would be my priorities which I think deserve to be put on the record for opening comments.

**Mr. McClellan:** Mr. Chairman, my theme is around the housing part of the estimates debate. It is going to be relatively simple and straightforward.

I think Ontario needs to assume responsibility once again for the provision of housing supply programs for low-income households. That really is the beginning and the end of the remarks I want to make here tonight. I do not think there is any question that Ontario has copped out of the provision of housing since 1978. It has copped out of the housing supply business and has piggy-backed on to the federal social housing program. It has taken tremendous political credit—I have to compliment the government on that—for the housing that has been constructed under subsection 56(1) of the National Housing Act.

I hope I can get this cleared up during the course of the estimates, but my calculations are that Ontario spends something in the order of

four cents on the dollar towards the provision of social housing in this province. There was a time when Ontario assumed its responsibility to provide decent, affordable housing for people at the low end of the income scale. In the 1960s and into the mid-1970s, Ontario was in the housing business, was producing housing in relatively large quantities for families and for senior citizens and was assuming its responsibilities.

Problems arose around the kind of housing that was being built, and we came to the conclusion there were better ways of providing for low-income people than the kind of thing that was built, for example, in Regent Park. Nobody wants to go back to that kind of model, but I think it has been completely irresponsible the way that Ontario has simply shirked its acceptance of a fair share of the cost of providing social housing in this province.

During the course of the debates, when we get to the votes, I hope the minister will be able to demonstrate that my estimate is low. Quite frankly, I do not think it is.

**Hon. Mr. Bennett:** May I ask what you are referring to when you use the phrase "spends four cents on the dollar"?

**Mr. McClellan:** Your contribution towards the whole constellation of subsection 56(1) housing. You can try to demonstrate I am wrong. I hope to be proved wrong.

Admittedly, I have been Municipal Affairs and Housing critic for a relatively short time, but I have been trying to do my homework. The ministry does not provide the fullest material in its annual reports or in its briefing books. It is not possible to read its annual report and get a coherent picture of exactly what the ministry is doing. So I welcome the opportunity to have some presentations from your staff to get a clear understanding of exactly what Ontario has been doing since 1978.

There is no doubt about the extent of the need. We had the chairman and the senior management of the Ontario Housing Corp. before the public accounts committee about a month and a half or two months ago when it was looking at crown corporations. They provided us with the waiting list figures for Ontario Housing.

As of September 1983 there are 25,909 households in the province, families and senior citizens, on the waiting list for Ontario Housing accommodation. In Metropolitan Toronto it is close to 7,000 households. In northeastern Ontario 2,231 families and 1,236 senior citizens are

waiting for housing accommodation. In eastern Ontario 3,064 families and 1,385 senior citizens are waiting for Ontario Housing accommodation; in central Ontario, 3,159 families; in southern Ontario, 2,669 families; in southwestern Ontario, 1,003 families.

This is the result of six years of passing the buck. The minister well knows that all the housing that has been built under the subsection 56(1) program has been limited to 25 per cent of the units being set aside for low-income families. The minister has recently tried to adjust that figure upwards, and I understand the target is now 35 per cent, plus five.

**8:40 p.m.**

I think you have not gone far enough. You should be looking very seriously at 50 per cent in the light of the extent of the need. What has happened to the housing market in the course of the last two years in our metropolitan areas has been nothing short of catastrophic in terms of affordability.

In the justice committee when we were looking at Bill Pr3, the demolition bill, we had representatives from a group that I think is called the Canadian Association of Private Real Estate Developers, the other large association of private developers parallel to the Housing and Urban Development Association of Canada. They told us that the cheapest they could build a modest one-bedroom apartment in the city of Toronto was for a market rent of \$800 to \$850 a month.

The rent review program describes that as luxury accommodation. What was luxury accommodation in the city of Toronto in 1978 is barebones, no frills, cheap accommodation in 1983, and for you to pretend that people can go and look in the newspaper and find affordable housing is to live in some kind of fantasy world. Yet all of your eggs are in the social housing basket, and you are limited in your capacity to provide decent, affordable housing to low- and moderate-income households by the very structure of the program itself.

I have the famous, or infamous, Canada Mortgage and Housing Corp. study of section 56(1), the nonprofit and co-operative housing program evaluation, and we will probably want to talk a little bit about that in more detail when we get to the actual vote. I just wanted to make reference to their estimate of housing need in Ontario.

They point out in one of their tables that there are 225,000 households in Ontario that have a serious affordability problem. That is to say,

they are spending more than 30 per cent of their income on housing; that is to a rent based on a norm. So we have almost a quarter of a million households in this province who have a critical affordability problem, and yet you are boasting in your leadoff statement that your priorities for the coming fiscal year are restraint, constraint and cutbacks.

You are moving backwards into the last century, as far as I can see, with respect to any willingness to assume responsibility for the provision, the direct supply, of new affordable housing for these tens of thousands of families and senior citizens who have been clearly identified as being in need.

We are not even talking about the group that you refuse to accommodate at all in your programs, the low-income single person, who is persona non grata as far as the provision of public sector housing is concerned; we are simply talking about families and senior citizens. Yet there are tens of thousands of additional low-income single people who are so far beyond the pale that they do not even show up in these kinds of statistics because they are not eligible to apply in the first place.

The CMHC study also has some information, which again the minister is welcome to try to refute, with respect to the relatively miserly contribution of Ontario since 1978, since the agreements were signed with the federal government, which resulted in the section 56(1) programs being initiated. I am referring to the table that is located on page 270 of the CMHC study, table 6.25, which is entitled, "The Average Estimated Provincial Contribution Per Unit, by Province."

This is really interesting. The most recent data that were available to this study group were for the years 1978 to 1981. I do not think the situation has changed dramatically since 1981.

Out of 19,186 section 56(1) units which were developed and brought on stream in Ontario under the social housing program, only 2,493 got any Ontario financial assistance, any assistance from the province. The average provincial contribution per unit is the magnificent sum, on an annual basis, of \$445.

**Hon. Mr. Bennett:** What is it you are trying to prove?

**Mr. McClellan:** My basic contention is you are not paying your share of the freight. You can argue that the agreements do not require you to pay your share of the freight, that it is totally legitimate for you to pay this kind of contribu-

tion and allow the federal government to pay the lion's share of the cost.

Housing is a provincial jurisdiction. Ontario has a long tradition of assuming its fair share of the load in the provision of housing for low-income people. You did it until 1978. Since that time, you have not. You have been taking a free ride. You have been piggybacking on to the feds. You have been having a free lunch.

The results are before us in the kinds of statistics I have cited, almost a quarter of a million households in need of affordable housing and 25,000-plus households on the Ontario Housing Corp.'s waiting list for individual communities like Sudbury and Ottawa, where there is a phenomenal housing crisis.

What is interesting is this is a comparative table and we have the figures for Quebec. They probably have the total number of units that were constructed in Quebec during this period. It is 21,655. During the same period Ontario built 19,186 units, Quebec constructed 21,655. That is not my point.

**Hon. Mr. Bennett:** Okay, but you will appreciate the numbers are a direct allocation of the feds. It shows where preferential treatment lies.

**Mr. McClellan:** That was not my point. I am not making a comparison between the number of units constructed. Do not go away mad.

**Hon. Mr. Bennett:** I will not go away mad, not with you speaking.

**Mr. McClellan:** I was not making a comparison between the absolute numbers. I think we are in the same ball park. I am not quibbling about the 2,000 units.

**Hon. Mr. Bennett:** I have.

**Mr. McClellan:** This is my point: when Ontario's contribution per unit for its allocation of section 56(1) housing was \$445, Quebec's average provincial contribution per unit was \$5,059.

The number of provincially-assisted units in Quebec is not like Ontario's 2,493; it is 8,292. This shows up in the analysis of who is benefiting under the programs. The statistics for Quebec are infinitely better than the statistics for Ontario with respect to the number of—

Interjection.

**Mr. McClellan:** Well, no. You can make the argument in those terms, but the fact is that in Quebec there are more low-income people who are being accommodated in section 56(1) housing than there are in Ontario.

In other words, the programs are targeted much more efficiently. Taxpayers' money

being spent much more efficiently. The programs are obviously being run much more effectively.

**8:50 p.m.**

They are not building housing for public expenditures of tens of millions of dollars to house middle- and upper-income people in Quebec. They are spending the money to house low- and moderate-income people.

In Ontario, as you well know, there is now a major controversy raging about the income levels of the people who are living in section 56(1) housing. It becomes very difficult to persuade the beleaguered taxpayer that it makes sense to spend hundreds of millions of dollars for the provision of social housing, when the principal beneficiaries are people whose incomes are above the average.

That does not make any sense to anyone. I am sure it does not make any sense to you. It does not make any sense to me and it does not make any sense to people out there.

In the meantime, we have tens of thousands of people who desperately need affordable housing and they cannot get into the units. As a matter of fact, they may live in section 56(1) housing.

As the minister knows, I have a large and really wonderful development in my own riding on the site of the old Frankel steel works—the Frankel-Lambert development—which has two Cityhome projects and four co-ops. It is a marvellous project. It has worked very well.

One of the things that, for the life of me, does not make any sense, is that in the middle of a depression, when many people who are living in the co-ops and in city homes lost their jobs, they were forced to move out of social housing because the subsidy allocations had been all used up. They could not afford the units any more.

This happened to many of my constituents, it was not an isolated phenomenon, because you are not paying your share of the freight. You are not putting enough money into the subsidy program. You are not providing enough subsidies to make this kind of project, like the one in my riding, as effective as it has the potential to be.

I am suggesting again that one way of dealing with that is to raise the subsidy level to 50 per cent. It seems to me it makes a lot more sense to do that than to evict people who are living in a social housing development because they cannot afford to pay the so-called “low-end-of-market” rent.

We will get to the wonderful way the ministry

determines the “low end of market” when we get to the vote, because I want to have some discussion about that particular lunacy. I want to focus, for purposes of the leadoff, on the portion of Ontario’s responsibility. That is the first concern I have. You are piggybacking, and you are not paying your share of the freight.

The second point I have already alluded to is that you have this propensity for dividing potential social housing consumers into good guys and bad guys. For the life of me I do not understand that.

**Hon. Mr. Bennett:** I do not understand what you are saying either.

**Mr. McClellan:** Senior citizens are good guys. So, Ontario is interested in providing senior citizens’ housing accommodation.

Low-income single people are bad guys for some reason, and they are not eligible for Ontario Housing Corp. units. They are not eligible for public sector housing accommodation. A low-income single person is not able to apply for a unit in public sector housing. I am talking about Ontario Housing specifically, since these are the programs that are exclusively under your jurisdiction. Of course, when the low-income single person turns 65 he magically becomes a good guy again.

**Hon. Mr. Bennett:** It is 60.

**Mr. McClellan:** It is 60? That is fine. They magically become good guys then and can get into the housing. That does not make any sense.

Dr. Albert Rose has been writing about the problems of the government of Ontario housing policy since the middle of the late 1970s—that you do not seem to be interested in providing housing for that group of low-income families who are identified, rather disapprovingly, as “multi-problem families.” This is a difficult group, apparently, for whom Ontario is really not very interested in providing housing. It is reflected in your housing policy.

You no longer have programs run by the province directly for the provision of housing for low-income families. When is the last time that Ontario Housing Corp. built a unit?

**Hon. Mr. Bennett:** In the city of Toronto?

**Mr. McClellan:** Anywhere, for a family?

**Hon. Mr. Bennett:** We have built some up in the smaller communities of the province.

**Mr. McClellan:** Yes, sure. You build a couple of dozen here, a couple of dozen there.

**Hon. Mr. Bennett:** You finish your remarks, and then I will get into the rebuttal.

**Mr. McClellan:** Sure.

You are not assuming the kind of responsibility you assumed a relatively few short years ago.

Again, I do not understand that, except that you have been scared off by reaction from municipal politicians, I guess, against so-called undesirable low-income families. You are much more interested in providing senior citizens' accommodation, accommodation for the good guys and letting the federal government assume the responsibility for family accommodation. You just wash your hands of the problem.

Unless I completely misunderstand what Dr. Rose is talking about, and I understand you still take his advice from time to time—

**Hon. Mr. Bennett:** He is our chairman.

**Mr. Laughren:** Come to Sudbury, Claude.

**Hon. Mr. Bennett:** I have been there many times, but you have never been there to meet me.

**Mr. Laughren:** Because you sneak in in the dead of night—

**Hon. Mr. Bennett:** No, I never sneak in.

**Mr. Laughren:** —and get hustled out in the early morning.

**Hon. Mr. Bennett:** We go in in a full blaze of glory, with the press and TV all wanting to ask me about how much more money we are going to leave for Sudbury. They are always delighted to see me when we put cheques in the pot.

**Mr. Laughren:** Not for housing.

**Mr. Lane:** It is Floyd who sneaks in usually.

**Mr. Piché:** At least when he started investigating the forest situation in the north. He has been busy lately.

**Mr. Laughren:** You have noticed.

**Mr. Piché:** I noticed because you brought it to our attention so many times.

**Mr. McClellan:** The one area where Ontario has been willing to assume responsibility for its own separate initiative as a kind of top-up to federal programs has been the Ontario rental construction loan program, the ORCL program. You have spent, I think, \$94 million since 1981.

**Hon. Mr. Bennett:** But give me the credit for this: would you not say the federal government topped up our program? We were in the game before it was.

**Mr. McClellan:** It is six of one and half a dozen of the other.

**Hon. Mr. Bennett:** Oh, no. We were the leaders.

**Mr. McClellan:** I thought it was the other way around, but I will take your word for it.

**Hon. Mr. Bennett:** No. We were in the game before they thought of it. They found ours pretty good.

**Mr. Laughren:** You let them take credit for it.

**Mr. McClellan:** Sure, that is right.

**Hon. Mr. Bennett:** There is the odd time Ontario does do something right related to your federal friends.

**Mr. Laughren:** Our federal friends?

**Hon. Mr. Bennett:** I thought that might get your attention.

**Mr. Chairman:** It all depends on what side of the page you are looking at anyway. It does not really matter.

**Mr. McClellan:** At any rate, the minister has boasted that it has been a very successful program, that he has brought between 15,000 and 16,000 units on stream. I do not know which it is, 15,000 or 16,000.

I raised this in the House the other day because one of the great mysteries is that Ontario has managed to spend \$94 million of taxpayers' money for the construction of rental accommodation which is barely affordable.

**Hon. Mr. Bennett:** No, we loaned it.

**Mr. McClellan:** That is right, and there will be substantial—

**Mr. Piché:** There is an awful difference between spending and lending.

**Mr. McClellan:** There will be a wonderful subsidy—

**Mr. Piché:** Am I allowed to say that was a misleading statement or do I have to take it back?

**Mr. Chairman:** We will have an opportunity for a broader discussion in a little while.

**Mr. Piché:** Somewhere along the line when a member is negative instead of being positive we have to cut in.

**Mr. Chairman:** I beg to differ. You do not have to.

**Mr. Piché:** The chairman is always deferring—

**Mr. Chairman:** You are throwing Mr. McClellan off his train of thought.

**Mr. Piché:** That is what I like to do. He loses it very easily.

**Mr. Chairman:** Carry on, Ross.

**Mr. McClellan:** The \$94 million was loaned at very favourable rates with a per-unit subsidy to private sector developers for the provision of—

**Hon. Mr. Bennett:** No, hold on. In the renter-buy program the loan was given to the individual purchaser.

**Mr. McClellan:** I am not talking about renter-buy. I am talking about the Ontario rental construction loan.

**Hon. Mr. Bennett:** I thought that that was what you started talking about.

**Mr. McClellan:** No, you misunderstood. I am talking about ORCL.

**Hon. Mr. Bennett:** You are talking about the rental construction loan program?

**Mr. McClellan:** That is what I said.

**Mr. Breaugh:** That is what he said.

**Hon. Mr. Bennett:** If he would stop mumbling maybe I could pick out the odd word.

**Mr. Breaugh:** It has now been demonstrated.

**Hon. Mr. Bennett:** Listen, Michael, if you are the living proof of demonstration, God forgive the world.

**Mr. Laughren:** Do not get personal.

**Hon. Mr. Bennett:** I am not, I am just making a general observation.

**Mr. McClellan:** Just so the minister can try to—

Have you finished?

**Hon. Mr. Bennett:** I am always finished—

**Mr. McClellan:** I am talking about the ORCL program; I am not talking about the renter-buy program. I did not even use the term renter-buy. I am talking about the ORCL program.

9 p.m.

The requirement was supposed to be that 20 per cent of the units be offered to local housing authorities for allocation to low-income households under the ministry's private rent supplement program. That is my understanding.

The minister got exercised when I suggested in the House that out of the 15,000 units that have come on stream only 992 units have actually been made available for rent supplement. The minister used the term "on stream." I do not know how many of the 15,000 units are actually occupied by tenants. Perhaps this is one of the pieces of information we can get from the ministry.

I was citing a study that was done by David Hulchanski of the Centre for Urban and Community Studies at the University of Toronto, an analysis of the Ontario rental construction loan

program. He pointed this out. It was not 20 per cent of the units that had been allocated for rent supplement; it was something on the order of six per cent.

If the minister has figures that can demonstrate that, as a matter of fact, 20 per cent of the units have been set aside for rent supplement, that would be good. I do not think you can do it. I do not think it is going to happen.

The difficulty has been that over the last four or five years as vacancy rates shrink, as the market tightens up, as rents escalate and as the market increasingly benefits the landlords and there is no scarcity of paying customers, the first victims, the first people to be left in the lurch, are the people who are in private sector accommodation under the rent supplement program.

A lot of these units are not protected under rent review. They have been under the exemption clause of rent review. There is nothing to prevent landlords from charging what the market will bear. They cannot do that under the rent supplement program.

So we see a decline in—you do not subsidize—

**Hon. Mr. Bennett:** Rent geared to income.

**Mr. McClellan:** To any limit?

**Hon. Mr. Bennett:** We can show you examples where certain people in the municipalities got us into some deals that are a hell of a lot more expensive than what you are talking about.

**Mr. McClellan:** How do you explain the decline in the number of rent supplement agreements over the course of the four years between 1979 and the end of fiscal 1983?

**Mr. Chairman:** I think it would be better to respond to all the—

**Mr. McClellan:** I do not mind having some back and forth dialogue.

**Mr. Chairman:** I do.

**Mr. McClellan:** I am interested in getting as much information out of this ministry as I can.

There has been an absolute decline in the number of private rent supplement agreements since 1979. The interpretation that is being offered by many experts in the housing field is that it is simply a result of market conditions and landlords taking advantage of higher paying tenants.

**Mr. Laughren:** It is called housing for the up-trodden.

**Mr. McClellan:** The minister can reply. You have the opportunity.

**Hon. Mr. Bennett:** I just wanted to draw your attention to the fact that I did answer that, I thought, in the House yesterday.

**Mr. McClellan:** You did not convince me.

**Hon. Mr. Bennett:** That would take a lot.

**Mr. McClellan:** No, I am very reasonable.

**Hon. Mr. Bennett:** Your philosophical position and mine would be very different.

**Mr. McClellan:** I do not know what your philosophical position is except to provide very generous loans to the private sector to provide housing that does not accommodate low-income households. That does not make any sense. If you are in a period of restraint and you are trying to make the most effective use of taxpayers' dollars, it seems to me one of the things you do is target your expenditures for maximum benefit.

The program has obviously been successful in stimulating construction. No one denies that. We are pleased to see the number of units coming on stream in the range the minister is talking about. Fifteen thousand to 16,000 units is good, but you had the opportunity to achieve additional goals in making sure that housing was available for those in greatest need and not simply available for middle- and upper-income tenants who could probably find accommodation on the market anyway.

It does not make any sense to initiate major government expenditures and not bother to ask yourself the question: "Who are we targeting here? Who is going to benefit from these programs?" It is evidence of either bad management or confused policy thinking.

**Hon. Mr. Bennett:** Neither.

**Mr. McClellan:** The fourth and final point I want to make has to do with the future of section 56(1) programs. Again, I raised this in the House, too.

The study I referred to earlier, the nonprofit and co-operative housing program evaluation done by the Canada Mortgage and Housing Corp. on the explicit instructions, I gather, of senior officers within CMHC, appears to be the first shot in the latest round of provincial-federal wrangling, fighting, confrontation.

Virtually everyone I have talked to in the nonprofit housing sector over the course of the last month and a half is absolutely and firmly convinced that the federal government intends to torpedo the social housing programs; that they have produced this study which casts section 56(1) housing in the worst possible light

and that they intend to disengage from the federal-provincial partnership.

Mr. LeBlanc was making noises along that line in July and August last summer, if I recall, at about the time the nonsense arose about the low-end-of-market rent adjustments in municipal nonprofit housing which was imposed by this ministry on the city of Toronto's Cityhome projects. If it had been carried through, it would have evicted a number of people from their homes.

At any rate, the warning shots were fired by the minister in the summer. The study was commissioned and now that has seen the light of day, Canada Mortgage and Housing Corp. is busy having consultations with, I gather, everybody except you guys. They may be having consultations with you as well; I do not know. They are sure having consultations with everybody else about the future of federal housing programs. Quite frankly, they do not seem to take a provincial partnership into account.

You have put all of your eggs in the social housing basket since 1978. You have fostered the development of municipal nonprofit housing corporations all across the province. You have developed bureaucracies in a number of municipalities which are municipal housing development departments.

You have been telling them that if a municipality, such as Sudbury, has a housing problem, it has to establish a municipal nonprofit housing authority and take advantage of section 56(1) housing. You refuse to allow the local housing authority to build Ontario Housing Corp. housing in a community such as Sudbury which has a housing crisis of staggering proportions. It may not be large relative to some other communities, but in terms of its seriousness, it is certainly unprecedented in the memory of people from the Sudbury area.

You will not allow Ontario Housing Corp. to build housing in Sudbury to meet that need. You say, "No, you have to set up a municipal nonprofit housing authority and apply for section 56(1) housing, because that is the policy of the government and it has been since 1978."

I just have a horrible sensation that you are about to have the rug pulled out from under your feet. The federal government is going to bail out of municipal nonprofit housing and leave you hanging in the wind with no housing policy. I am really curious to know what kinds of discussions have been taking place between the two levels of government and what your plans

are if the federal government carries through with its threats.

For the life of me, I cannot understand why the federal government would continue with this partnership. You have not paid your fair share in Ontario. You have been taking all of the credit for federal initiatives.

**Hon. Mr. Bennett:** Always giving them full credit.

**Mr. Epp:** To yourself.

9:10 p.m.

**Hon. Mr. Bennett:** No, I have always been most generous in making sure the feds were up front and centre for what they have been doing in the program. I have never denied it.

**Mr. McClellan:** Absolutely. That is what the federal politicians say about it too. They are just so grateful. The federal Liberals are just so grateful for the—

**Mr. Breagh:** Way you hand out compliments.

**Mr. McClellan:** Other people misinterpret you sometimes. Well, at any rate, the federal Liberal Party with the desperate need to somehow give itself artificial respiration is going to come up with housing programs that put the spotlight back on them.

I do not think there is any doubt about that. I am absolutely amazed that you guys here appear to be the last ones to know.

**Hon. Mr. Bennett:** No.

**Mr. McClellan:** You are not the last ones to know?

I am really anxious to have some discussion about where we are at in this province. If those programs go in the direction they appear to be going—which is to rely on programs such as the Ontario rental construction loan program and the Canada rental supply program—and provide loans and incentives to the private sector to look after the question of housing supply, and bring in a program of rent supplements to somehow try to make these things affordable to low-income families, it is going to be a disaster.

I hope there is enough evidence of the basic silliness of rent supplement programs in partnership with private sector development to thoroughly discredit the idea. I do not know. Maybe this is something you approve of. Maybe ORCL is actually the wave of the future and we can look forward to the use of millions and millions of dollars of taxpayers' money to provide magnificent low-interest terms to private developers, with the provision of rent supplement

ments to somehow look after the deserving poor.

We have gone that route. The limited dividend program has to be one of the most hideous experiences we ever went through in the housing policy field.

**Hon. Mr. Bennett:** That was before my time.

**Mr. McClellan:** I am sure. No one would want to see us go back to that kind of thing, but that appears to be the general gist of current federal thinking—some version of that. I really do not understand where this leaves us.

Let me just conclude. I think you are going to be forced, either because of the pressure of need or a combination of the pressure of unmet need, which I started out by describing, and a federal bail-out. You are going to be forced back into the housing supply business and it makes sense to us for you to be doing this, even without the pressure of the federal government jumping ship on you.

I would hope that Ontario would establish its own top-up programs to the federal social housing programs. You start by solving the affordability problem in housing provided under subsection 56(1) of the National Housing Act by raising the subsidy level to 50 per cent, the same as it is for senior citizens' accommodation. Second, you set up a top-up program that would, in a sense, parallel the existing federal mortgage write-down program.

You use the resources of the Ontario Land Corp. to provide bonds to raise money for mortgages, get into the business yourself and start to get serious about the question of supply in Ontario.

We have suggested a reasonable target for the first year of the program would be something in the order of 5,000 new co-operative housing units, 4,000 seniors' nonprofit units and 5,000 Ontario Housing Corp. units, together with a revival of the program Mr. Epp was talking about in his remarks, the Ontario home renewal program.

Those four programs taken together would represent a signal of good faith on the part of this government that it was serious about meeting the housing needs of the people of this province, that it was returning to acceptance of responsibility for the provision of housing to low-income residents of this province, and that it was turning its back on the policy of piggy-backing and taking a free ride on the federal programs that has prevailed for the last five years.

We have the resources to do this. We are not

talking about stupendous expenditures of money relative to the total budget of this province. We are talking about providing decent, affordable housing for our citizens. That is a goal this province can afford to reach whether you, with your obsession with cutting \$100 million out of your budget, accept that or not. This is still Ontario. We have the wealth to provide decent affordable housing for our citizens.

I think most people in this province accept that proposition. People in this province have accepted that responsibility in the past when you initiated a major program of public housing. I have no doubt they are willing to shoulder the responsibility for providing decent housing for our people again, in the light of current market conditions, the overwhelming evidence of need and the cries for help that are coming to you from municipalities all across this province.

To conclude, you can seize the opportunity this re-evaluation of federal programs represents. You can regard it as an opportunity or you can sit with your head in the sand and wait for the federal government to sandbag you.

I have a horrible feeling I know what the outcome is going to be, but there is a glimmer of optimism, even after nine years in this strange place, that you guys can from time to time accept your public responsibilities. This happens to be one of them.

**Mr. Chairman:** I guess that ends the opening remarks; now the minister in response.

**Hon. Mr. Bennett:** Mr. Chairman, I will try to respond in relatively quick order because I think as we get to each of the votes we might have an opportunity to go into more complete detail.

As to Mr. Epp and the Ontario home renewal program, I could not disagree with your remark that it was likely one of the more popular programs we had in the province. Over a period of time we have invested about \$160 million in the program but, in a time of restraint and on the introduction of some other programs, federal programs and so on, it was considered this was one of the areas where we were 100 per cent of the contributor. There were no partners. In the battle for money it was one that went.

I do not disagree. Virtually every municipality in the province that had availed itself of the OHRP money wrote in and said it would like it to continue.

It is hard to believe anyone who was getting all this money without any contribution by them would do anything else but say, "I would like to have some more of it." I would have loved to

have had some more to give to them. It is one of the programs we continue to review and one of these days—I am not making any promises at this point—we might see something come back in a modified form. If it does, I have to think it will not come back as 100 per cent participation by the province.

**Mr. Epp:** By 1985.

**Hon. Mr. Bennett:** Let me tell you there are some advantages for that date. It might just achieve that.

**Mr. Epp:** I understand your colleague the Minister of Natural Resources (Mr. Pope) has been saying they will have a number of programs in place by 1985.

**Hon. Mr. Bennett:** I do not know what Mr. Pope has been saying—

**Mr. Breaugh:** Is this part of the Roseneath pledge, part of that four-year—

**Hon. Mr. Bennett:** The problem with Roseneath is the member who asked it admitted he did not even know where Roseneath happened to be.

**Mr. Breaugh:** Oh, that is a shame.

**Hon. Mr. Bennett:** It is; a disgrace.

**Mr. Epp:** It is just like things happen in Stormont, Dundas and Glengarry. All of a sudden, because there is a by-election things happen overnight. Thank God for elections.

**Mr. Laughren:** Are you doing anything with multiple-unit residential buildings?

**Hon. Mr. Bennett:** What do you want to do with MURBs? If you let me finish I will come to it. Just sit there quietly smoking your cigar. Enjoy that cigar.

**Mr. Laughren:** How about your OORP program, your Ontario office renewal program? I want to hear about that one.

**Hon. Mr. Bennett:** I would suggest that since the member—

Interjections.

**Mr. Epp:** Of course, I heard about it other than in the House, I heard about it elsewhere, but I got it from a very objective newspaper too, so I—

**Hon. Mr. Bennett:** Good.

**Mr. Chairman:** Not being known as a partisan newspaper at all.

9:20 p.m.

**Mr. Epp:** No, not at all; very objective.

**Hon. Mr. Bennett:** I want to touch on the convert-to-rent program because Mr. Epp raised that as well. I had explained the convert-to-rent

program. I am dealing with quite a different situation than when I am dealing with developers or people who are professional in the field of building units.

People who are in the construction business can come in and make an application, whether it be under the Ontario rental construction loan program or any of the others, and do it without any difficulty because of their capabilities and knowledge of the field.

When we get into the convert-to-rent program, I said at the time, we were going to have several problems. I did not know how we were going to overcome all of them.

One problem very clearly was that the individual we were dealing with was, generally speaking, a neophyte in the area of development or construction. They owned something but they were not quite sure how to go about doing certain things. One was trying to find out how you can change the zoning of a property to accommodate the convert-to-rent for residential purposes. Second, some of them were not even proficient in filling out the requirements of a mortgage application.

There were other problems in the whole field of renovation and rehabilitation and the building code, which was completely strange to them.

I made it very clear to Mr. Epp and everyone else that it was never anticipated, from my point of view, that the program would take off into orbit overnight because we realized the difficulty we were having. If you go back to my original statement, I said very clearly that one of the areas we were going to have some difficulty with—and I appreciated the problem—was in the zoning of the various municipalities.

I would suggest to you, Mr. Epp, if you go back to your own community and others that have participated in it, from a very pleasant point of view they had tried to assist, but time is a requirement under any zoning change in any municipality. I am very optimistic as to what the program in due course will achieve, but it is not going to happen overnight.

I guess we could have taken the attitude not to go ahead with the program because we saw these pitfalls, and rather than get into criticism from the Liberal and the New Democratic Party or others we would just forget about it and not bother. We think it is worth while. We think we can achieve—

**Mr. Epp:** What are your projections?

**Hon. Mr. Bennett:** What are the projections? We have given you the figures before.

I have had several mayors write to me; indeed, I had a couple of members of your party who came to me and said that the vacancy rate in a certain community was less than two per cent. That vacancy rate would not have been picked up specifically by CMHC in their vacancy rate charts. It would not, first of all, because CMHC, as I have said before and repeat here again tonight, when they are estimating the vacancy factor they only count anything of six units and over.

If you get into some of the smaller communities we are dealing with in this province it would be very difficult to find anything over a six-unit apartment. As a result, the vacancy rates that might occur in such a community would not be fully apparent to us, other than from our conversations with the mayor and others. So, I have had a number of mayors who have spoken to us through their members, of all political parties, to see whether their community could be included. We are reviewing some of them with the individual communities to make sure.

You made one snide remark, and that is your privilege, relating to certain—

**Mr. Breaght:** You are accusing someone of making a snide remark? Come on.

**Hon. Mr. Bennett:** Maybe it was said with tongue in cheek then.

**Mr. Stokes:** As long as it did not get political. It could degenerate into a debate.

Interjections.

**Hon. Mr. Bennett:** You were talking about the fact that it was the ministry, through Government Services, which spent their money, not the minister.

**Mr. Laughren:** We insisted.

**Hon. Mr. Bennett:** If you want to know the truth, I would have preferred to have stayed in the Hearst Block because its convenience to the Legislative Building is a lot better than 777 Bay Street.

**Mr. Laughren:** You could move back.

**Hon. Mr. Bennett:** I will not get into the whole argument but I can assure you one reason we went over there was to accommodate the relocation of other ministries under one roof.

**Mr. Laughren:** What a nice guy. The sacrifices you make.

**Hon. Mr. Bennett:** No, it is your mayors who have complained to me about the fact—

**Mr. Epp:** I only have one mayor.

**Hon. Mr. Bennett:** One mayor, that is right, a

very good one—and of the right political persuasion, I would suggest.

**Mr. Epp:** She is a Conservative. I knew you would be prejudiced.

**Hon. Mr. Bennett:** Marjorie is a fine, delightful person to speak with. I am sure you say she is an excellent outstanding mayor.

**Mr. Epp:** Did I say that?

**Hon. Mr. Bennett:** I remember one day we happened to be on the platform with her and you were kind of making those generous comments.

**Mr. Laughren:** Mr. Chairman, would you rule on who is being snide?

**Hon. Mr. Bennett:** No, in this case it is just a repeat of—

**Mr. Epp:** I have heard you say very positive things about the mayor of London and others.

**Hon. Mr. Bennett:** Certainly.

**Mr. Chairman:** Aside from the mayor of Waterloo.

**Mr. Epp:** The mayor of Cambridge.

**Mr. Chairman:** What about the mayor of Wilmot?

**Hon. Mr. Bennett:** One of the things they complained about to me, and I guess to others in the government, was the fact that when they came to deal with Municipal Affairs, they could be in one of eight buildings in this community, eight various divisions or parts of the ministry.

I hope when all things are in 777 Bay we will truly be able to perform a better delivery service to the municipalities, to those who come from the municipalities and other interest groups that deal with us. Only time will tell.

Let me go to Mr. Breaugh's remarks relating to municipal taxes. I appreciate the fact that—

**Mr. Laughren:** So much for the office.

**Hon. Mr. Bennett:** Let me then go back. I think you want to—

**Mr. Breaugh:** No, we accept it. This was just a public service move, right?

**Mr. Laughren:** We understand. It was not at your initiative.

**Hon. Mr. Bennett:** I can assure you it was not. Interjections.

**Mr. Chairman:** I think you—

**Mr. Stokes:** Mr. Chairman, will you stop interrupting?

**Mr. Laughren:** Minister, you did say you refurbished because the mayor of Kitchener-Waterloo complained.

**Hon. Mr. Bennett:** No, I made reference to the fact that there were many, including the minister.

Interjections.

**Mr. Chairman:** I wonder if Bill Davis has heard about this one.

**Hon. Mr. Bennett:** You had to deal with OHC or the land corporation or you wound up at Bloor Street or on the other side of Bloor Street.

Anyway, the amount of money which has been expended by Government Services, which everyone seems to delight in talking about—

**Mr. Epp:** Was it tendered?

**Hon. Mr. Bennett:** It was Government Services. You ask them.

**Mr. Breaugh:** Let us not do that again; come on.

**Hon. Mr. Bennett:** Anyway, just to put your mind to rest, it includes the minister's office, the parliamentary assistant's office, the deputy minister's office, the board room and the reception area. That sum of money covered some 6,000 square feet. So, if you think we are in the lap of luxury, fine.

Let me go to Mr. Breaugh in relation to municipal taxes. I do not disagree that the municipalities have used a great deal of ingenuity in trying to figure out ways to achieve other revenue sources. User fees is one way, reserve funds another.

The latter really came about as a result of setting aside money over many years from various sources, such as last winter when the snow problem was not as great as it had been before. All of a sudden money found its way into reserve funds.

We now have the experience in this day and age when municipalities are experimenting with what they call front-end loading. Developers and others put up a lot of money to install sewer and water services and so on.

Of course, the old bugbear is that there will be a constant argument between municipalities, developers and some property owners as to the thing known as a lot levy. I suppose as long as it is around, there will be arguments for and against it. I hope we have been able to develop some degree of reasonableness in the lot levy.

It always intrigues me when a city like my own charges \$500, or within that range, and then get out into your part of the province, out to the west of this community, and we are up to \$7,000 and better. It is difficult to try to explain to the purchasers of homes when the federal or provincial governments come along and lend

total of \$8,000 and \$7,000 which has already gone into the lot levy, which they are going to carry over a long period of time in the mortgage commitment.

I agree with both Mr. Epp and Mr. Breaugh, the budget process is not like it was when we were at municipal government level. But we did not have the party system either, where the government can fall on the fact of its financing responsibilities.

I think Mr. Grossman's direction—

**Mr. McClellan:** Would you vote against the government if you got charged a lot levy?

**Hon. Mr. Bennett:** I said the government can fall as a result of it. You can be humorous about it, but you know very well—

**Mr. McClellan:** Would you expect a back-bencher not to be—

**Hon. Mr. Bennett:** I think Mr. Grossman, the new Treasurer, is really on the right road in trying to open up opportunities for municipalities and other associations and groups and bodies that are interested in what happens in the province to become more deeply involved in the preparation of the budget.

9:30 p.m.

The unpaid taxes are always a concern. As we get to the municipal vote, I think we can give you an indication of the unpaid taxes on a percentage basis in some of the major communities across the province. The new bill we introduced the other day, which is only for first reading and which I hope municipalities and others will take an opportunity to read, we think is an improvement in the ability to gain back unpaid taxes instead of worrying about taking over some of the properties.

With regard to assessment, you really brought it in under the discussion paper we submitted relating to the grant formula to municipalities. You made the observation yourself that the grant formula we have at the moment is complicated and difficult for people to understand and to work out at the best of times.

The bigger municipalities have enough expertise in the field of accounting and so on that, generally speaking, they can figure out on their own whether the province is dealing with them truly, fairly and openly.

The discussion paper was a result of the Association of Municipalities of Ontario and the municipalities asking me, "Is it not possible to find some more simplified way in which to deal with this very important issue relating to

our financial survival?" I recall that in my days on city council I felt the same way.

Shortly after I became the minister I suggested to my people in Municipal Affairs, "Let's see if we can't get down to a simplified way of transferring money between the province and the municipalities so that every municipality, whatever its size, can understand exactly what we are doing for them." So it is not something that only—and I say this in fairness to one or two people in the ministry—Eric Fleming, the assistant deputy minister, and one or two others, like Jack Lettner from the assessment department, understand while virtually everyone else is in the dark.

I think the formula should be one that the mayor, the council and the people responsible for the financing of the municipality can easily understand and translate as to whether what we have transferred to them is the portion they rightfully deserve.

It was a discussion paper only; I want to emphasize this to you, Mr. Epp. The examples that were given were strictly to give some indication as to how the situation could work; it was never intended to be implemented.

In the newspaper ad you people are running in Stormont, Dundas and Glengarry you attribute to me a certain figure, and I have to ask you to correct the ad because the figure is not mine. It is AMO's figure that you are quoting, not the ministry's or the minister's.

AMO put in a counterproposal and they went and did some calculations as to what they thought might be an alternative to what we suggested. You have translated that to be from the ministry, and I have to correct you and say it was not from the ministry; it was AMO's figure.

**Mr. Epp:** My understanding is that it is the ministry's.

**Hon. Mr. Bennett:** You just go and read, sir. That is sometimes where your party loses out, because your research is not done properly.

**Mr. Epp:** Like the trust company affair.

**Hon. Mr. Bennett:** The discussion paper is there for people to review and to participate in.

You say we are going from a population count on the per capita grant to a household count. Are you going to ask some of the municipalities to look at what is happening in their communities?

I say this very clearly here. The per capita rate for Mississauga, for example, is very advantageous. But for a lot of communities, because of a decline in family size and because of the ageing of their population, to have had a

household grant rather than a per capita grant eventually could become much more advantageous.

Frankly, since elections are every three years and since the census is going to be taken only every third year, we will get into more disputes as to the population counts in various communities. Since I have been the minister we have been through them in I do not know how many communities that have argued with us that the population figure put down by the assessment department is wrong.

I have never heard anybody complain that it was too high, but I have heard lots of complaints where they figured the population count has been on the low side.

I have made the comment to the mayors and municipalities that if you look at this situation, it is easy for them to identify every living unit in their community. Indeed, they might even become a little more aggressive in picking up some apartments that are at the moment not registered, but that is their business.

I hope the discussion paper will produce something worth while in the end and that we will find a more simplified way of dealing with the problem, so that all can work with it and work with a degree of confidence and appreciation.

I am not going to get into Bill 111. Mr. Grossman is in the House this afternoon, tonight and again Thursday on Bill 111 and how it impacts on municipalities. A year ago, municipalities were not sure of exactly how it would affect them. They became more appreciative of the fact that it was there and it helped them to do some of their long-term projections in financing.

I am not sure, Mr. Breagh, whether you were suggesting that we should go back to what the bill was last year, or not.

**Mr. Breagh:** You are not sure? Let me clarify it.

**Hon. Mr. Bennett:** Okay.

**Mr. Breagh:** I had said last year's bill stunk and I think this bill stinks. Does that clarify it for you?

**Hon. Mr. Bennett:** That is an odour which it has given off, I take it. Let me suggest to you that when—

**Mr. Breagh:** I do not want you to go away with a fuzzy notion about it.

**Hon. Mr. Bennett:** Yes, but you said that last year's bill assisted municipalities in trying to do

the projections in budgeting. This year, because of what we are doing, it is now going to—

**Mr. Breagh:** You had better read Hansard again. I do not think you will find me saying that.

**Hon. Mr. Bennett:** I will take the opportunity over the next while.

**Mr. Breagh:** I think your research is worse than the Liberals' research on that matter.

**Hon. Mr. Bennett:** No, I did not say it was research. I had translated what you said tonight and, at times, that is difficult.

You talked about various programs within the ministry; the Canada-Ontario employment development program which was, I thought, an excellent program. I really believe it was far too complicated in the administration, in the approving process and so on, but those were conditions which were laid down by others. As a result, some of the municipalities became frustrated with the process they had to go through.

The Ontario downtown revitalization program has worked extremely well. All \$57 million that was allocated to the ministry has been either spent or committed, but we replaced it with the Pride—programs for renewal, improvement and development. I hope we will get a chance to go into it, because I think the Pride program, in a very real way, serves the smaller communities in a much more practical way than the downtown redevelopment. It does not cause the same dollar commitment by that municipality.

The neighbourhood improvement program, obviously, has been popular and most communities have made fairly substantial use of it.

You said that some of the things we were doing in the field of development housing was tokenism. One of the things that I am listening to at the moment—and which Mr. Grossman, I am sure, is listening to as well—has been from the construction industry.

The question asked, over the last period of time is, "What do we have to do in the way of programs from the federal or provincial government to encourage further development?" The response, so far, has been nil. That is because, I am sure, most of the order books and most of the contractors have a fairly substantial number of units which are under construction or in the process of being completed.

We brought in the convert-to-rent program the add-a-unit program, and save-the-unit, the program which was to try and reduce the number of demolitions, and so on. Some of those programs are in a pilot position.

For example, I want to speak on the add-

unit. It is much more popular than I might have originally thought and it is one that we will be in a position, in the next short time, to make one recommendation to the Treasurer. I am not about to make any pronouncement tonight on the subject, but I do say that we have reviewed it and we will likely be making some suggestions.

I do not think what we have been doing is tokenism. That might be your opinion, but I think we have tried very positively and forcefully to move into the field of encouraging rental, ownership and construction.

Coming to Mr. McClellan, this ministry and this government has never refused to recognize its responsibility in the provision of housing in this province or to try to assist through various programs the upgrading and improvement in the quality of housing available to all of the people.

You said we copped out in 1970. No, we did not cop out. That may be your opinion, but we sat and negotiated for a long period of time with André Ouellet. I recall the discussions. I was only in the ministry for a relatively short period of time when I went to this conference in Edmonton. They decided that this was the type of program—the municipal nonprofits, private nonprofits and the co-ops—and that they were going to get out of section 40, which was the provision of large sums of mortgage money through Canada Mortgage and Housing Corp., and this was its replacement.

I recall sitting there—I said this last year and repeated it again this year. They said they were going to write interest rates down to one and one and a half per cent.

1:40 p.m.

At that time, interest rates were around 10 or 11 per cent and it did not sound too bad.

One of the saving factors, I suppose, for a lot of people, including the province, was the fact that interest rates went to 19 per cent and they got a tremendous write-down, a hell of a lot more than Mr. Ouellet had ever let his mind even wander to under the most extreme conditions.

We did participate. We signed the agreement. We did the management. We did the leg work. We did the paper work. We did the administration, and we also do the approvals.

**Mr. McClellan:** And take all the credit.

**Hon. Mr. Bennett:** No, we do not take all the credit. I challenge you to say that, because on any occasion when I have had the opportunity of opening any of these, or of turning the sod, if

you read newspaper after newspaper, I have given the federal government full marks for their participation, because without it we would not have been as far down the line in producing this type of housing as we have.

One of the things that happens is, and you have been to some of the openings here in Toronto, the federal government is invited to attend. The federal government is invited to participate, obviously. Time and time again, whether it be in this city or any other part of the province, you will wind up there with the mayor of the community, the chairman of the housing authority or whatever it happens to be, and a provincial representative. There might be a representative from CMHC.

I do not take the responsibility for the federal minister not making himself or one of his members available for the occasion, although that has been one of the big cries, that they had never been invited to or included in the openings. I have to tell you we can document, for any that we have had the responsibility for—we do not have it for all of them—they have had a full, formal invitation.

I suggest to you that this province continues to encourage municipal nonprofit projects within the limitations of the allocation given to us by the federal government, with CMHC. They also give allocations to private nonprofits and co-ops, which are entirely at the discretion of the federal minister and are not, in any way, communicated to us until the commitment or assignment has been made.

At times this has been a little complicated, because we find a private nonprofit and municipal nonprofit building for the same market in that community. That, at times, has been a rather difficult thing to try to rationalize.

I know what the waiting list happens to be, but there are units coming on stream and waiting lists are not the whole story. There are units coming on stream—

**Mr. McClellan:** They underestimate the need.

**Hon. Mr. Bennett:** I suppose you can throw them in. I often ask people if the waiting list is a fully bona fide, accurate assessment of everyone there. That usually brings the silence I am having this evening.

**Mr. McClellan:** Oh, no. That is why I use—

**Hon. Mr. Bennett:** I can go and get on a waiting list and so can you.

**Mr. McClellan:** —two measurements; I use the CMHC study plus the waiting list.

**Hon. Mr. Bennett:** We recognize the waiting list and for every 100 or 1,000 or more units that we have, the waiting list does not appear to be very heavily impacted, if it all. It usually continues to creep up on us. I admit that.

The fact remains that we have gone to the municipalities and we have said that we thought our responsibility in the development of municipal nonprofits and others was to fulfil the requirements of those who had a true and high need.

As you know, I said to them that we will increase the rent geared to income portion of their municipal nonprofit and, if the co-ops want to participate, they only have to ask. It was not going to be imposed upon them if some do not want to participate. If the private nonprofits want to participate, they only have to ask. We will take the percentage from 25 up to 35 per cent and we will include an additional five per cent for physically and mentally handicapped people in their communities.

I said to the municipalities what we want to do is, first, to get a common waiting list. That does not seem unrealistic or unreasonable. Second, we want the waiting list to be scored or point-rated on a similar system.

Some communities have these nonprofits for people on a first-come, first-served basis. You could be number one on the list but the person who is number 10 or 20 could have a housing requirement a great deal more urgent than yours. So we want to move towards the need.

I have heard from one or two or three of the communities. Some of them want to negotiate, some of them are not prepared to accept those as conditions or terms. I must say to you that if we are not in the process of wanting to look after the need, then somebody had better start explaining to me why the federal and provincial governments are investing that amount of money. Obviously, with the increase from 25 to 35 per cent, plus five, the provincial portion of responsibility will increase rather substantially in a relatively short time when all of those units are in place.

We have not put all of our eggs in one basket because we have been under the Canada rental supply program, under the Ontario rental construction loan program and under the private nonprofits, the municipal nonprofits and the co-ops. In some communities, we have gone out and tried to rent units that might be available from the private sector under a proposal call. So we have tried to get into as many fields as possible.

I was not quite sure what the member meant when he spoke about the good and the bad people of our province. I thought they were all good people—seniors, families, single persons whatever they may be. We have not tried to—

**Mr. Piché:** Let the record show that was a terrible statement to make.

**Mr. McClellan:** I was just quoting a statement made by Dr. Rose in his—

**Hon. Mr. Bennett:** I do not recall reading Dr. Rose's statement.

**Mr. McClellan:** He pointed this out as being self-evident from the nature of the program.

**Hon. Mr. Bennett:** The opportunities have been there for municipal nonprofits and so on. A good number of them have leaned toward building the senior citizens' accommodation but that is their choice. It is not a direction nor dictate by the minister, nor should it be. Individual communities have to judge for themselves what the highest requirements of the community are and then try to respond to them.

While you talk about the good and the bad we have tried to provide for senior citizens and families. I said to you earlier, and to others, that the single person, low-income or otherwise, has not been a dictated responsibility of this ministry. It falls under the Ministry of Communities and Social Services.

I am not sure I understood the multi-problem you were talking about. You talked about Dr. Rose. I do not recall seeing literature from him.

**Mr. McClellan:** I have it in my office; I will bring it to our next session.

**Hon. Mr. Bennett:** That is fine.

Let me comment on one of the problems we are faced with in building, whether it be in the private sector or the public sector.

The capital cost of constructing units today is extremely high, right from the purchase of the lands, to the materials used, to the labour content in the building. I would say that regardless of which developer you speak to, with great competence and capabilities in the field of construction, will tell you that the difference between an economic and a market rent can be as much as \$250 a month per unit.

That is one of the problems we are faced with in nonprofit housing. The cost of construction of nonprofit units and co-ops is just about as high—and we dictate a maximum unit price—trying to achieve it under a nonprofit as under the private sector, save and except the private sector does have tax advantages in writing certain things off.

You asked me what the future happens to be; whether section 56(1) will remain. In the last few years, I have said to a number of municipalities that when the feds conclude that section 56(1) is far too expensive as a public program, regardless of whether it is a federal or a provincial government—because whatever amount the feds put into this program is that much less they have to put into other programs to assist the municipalities and the provinces in developing units—they will likely come to the same conclusion that that report appears to take us to.

Whether they do away with section 56(1) or not, Mr. LeBlanc, from my discussions with him in recent days, is not prepared to give any direct position.

**Mr. McClellan:** But you know they are considering it.

**Hon. Mr. Bennett:** Let me put it this way: I remember when we had the community service contribution program, which everyone in this room thought was a tremendous program. They gave us about 24 hours' notice that they were out of it. I suppose any time they get into a program, they immediately start thinking about how they can get out of it.

Just look at the turnover in programs that we have had from the federal government.

**Mr. McClellan:** We do not have to wait for the federal government, I am sure you know that. I am curious to know what your contingency plans are.

**Hon. Mr. Bennett:** I am not about to tell you or anyone else, until the federal minister—let me put it this way: if you are playing a game of cards, you do not show your cards before you have to.

5:50 p.m.

I am not about to say to Mr. LeBlanc, "If you do not do X, Y, Z, then I will do X, Y, Z." That would be the greatest invitation for the federal government to say, "Why should we stay in, the province is about to pick up everything?"

I do not think we have the financial capabilities, and some of my other colleagues in the field of housing from across Canada do not have the financial resources to go it alone either.

We have accepted the fact for many years that the responsibility of the provision of housing has been a mutual responsibility between the federal and provincial governments of Canada. I do not think I am about to suggest that the province of Ontario should try to break away and try to go it alone. We have some suggestions

that have been put forward to various parts of the government of potential programs we could get involved in. They could some day see the light of day.

**Mr. McClellan:** We will not pursue this back and forth now. We will wait until we get to the vote. There are a number of questions I raised that we need to discuss some more.

It would be helpful if before we get to the community housing programs vote you could provide more complete financial information on your expenditures on section 56.

**Hon. Mr. Bennett:** I am not denying the federal government. I do not know on what their report was based. You are talking about that report, are you?

**Mr. McClellan:** I am curious to know what the comparative expenditures are between what Ontario and the federal government spend on section 56(1)—

**Hon. Mr. Bennett:** Section 56(1) is only a portion of the responsibility for the provision of rent-geared-to-income housing.

**Mr. McClellan:** I understand that.

**Hon. Mr. Bennett:** We still have 115,000 units in this province that are given to people with lesser incomes. The cost to the people of this province and Canada is \$350 million. One in nine rental units in the province is subsidized.

**Mr. McClellan:** I am just asking for a complete financial picture. I want to know what—

**Hon. Mr. Bennett:** I will have to look at it because—

**Mr. Chairman:** I wonder if the appropriate time would not be when we get to that vote.

**Mr. McClellan:** I agree, but when we get to the vote I do not want him to say, "If you had let me know on Thursday night, we could have prepared this for you."

**Hon. Mr. Bennett:** We will cover it when we come to the vote.

**Mr. McClellan:** Okay. That is fine.

**Hon. Mr. Bennett:** If that is what you want.

**Mr. McClellan:** It is one of the things I want.

**Mr. Chairman:** We have now disposed of our opening statements. It took a little longer than we anticipated but we are now ready to move into the ministry administration program.

**Mr. Epp:** I presume someone is keeping track of the time so that there can be some kind of proportionate distribution, so one party does

not try to hog most of the time during the course of the 15 hours.

**Mr. Chairman:** Yes, we have a pretty good record of time. The times are recorded in Hansard; we have a pretty good idea.

**Mr. McClellan:** We are willing to share, Mr. Chairman.

**Mr. Epp:** I thought I would raise it now rather than wait until next Monday, and then you would say, "Why didn't you tell me last Tuesday?"

**Mr. Breaugh:** We are socialists. We will share.

On vote 2401, ministry administration program:

**Hon. Mr. Bennett:** I have a few brief remarks to make on this vote, then maybe we could go to two things: career options development, covered under administration; and responsibilities on the building code which we have assumed in the last number of months, if that meets with the approval of the committee.

**Mr. Epp:** You have your slide show or your overhead projector here. Maybe rather than have them bring it back next time we could see that.

**Hon. Mr. Bennett:** We are going to have it here for each vote, if you wanted something on each vote. That was why we tried to do it on a vote-by-vote basis, so maybe we can highlight it and come to some of things that Mike, Ross, yourself, and your partner, John, have asked about.

The ministry administration vote this year includes not only the usual central arm of the ministry but also the Ontario buildings branch, which was transferred to us during the fiscal year. This year we completed the management standards project which set criteria for effective management process to apply service-wide.

Our ministry has tested itself against the standards and in almost all instances we have met or exceeded the appropriate benchmarks. In a few instances we have found areas where improvements can be made, and we are pursuing those. We are also integrating our management process into a meaningful package. This will not only reduce paper flow and administrative burdens on managers, but it should significantly improve the quality of the management information we generate.

The ministry has been faced with stresses and strains on its human resources this year, as have all public and most private concerns. The current climate of restraint will not change in

the foreseeable future, which means continued manpower reductions. If we are to continue to challenge our staff and provide reasonable career paths, we must create new ways to stimulate personal and professional growth.

This year, my ministry introduced the career development options program specifically to address this need. We think this innovative program provides a way to promote career growth, better use of our investment in people and, in the process, revitalize parts of the ministry. I would be pleased to have a presentation made to the committee on this program if it is the desire of the members.

Before leaving the central management function, I want to comment on a major improvement we have made in our operations this year. Our communications function has been refocused and refined to better fit our program objectives. I am proud of the professional and efficient manner in which all parts of the ministry now communicate with their clients and the taxpayers of this province.

The arrival of the buildings branch in the ministry has introduced new opportunities and challenges that involve all operating areas of the ministry. We are proceeding to streamline and consolidate building regulations in this province. We recognize that this heavily-regulated industry has a right to clear, understandable rules. We know that new technology and innovations present opportunities to make buildings less expensive and safer; and that we must not allow regulatory lethargy to stand in the way of progress.

We also understand the need for vigilance in ensuring that all buildings in Ontario are safe for their intended uses. In the near future, I will be introducing the renovations code as part of the Ontario Building Code.

This will represent the culmination of two years of consultation and intensive study, spearheaded by our community housing staff. It will provide flexible, clear and safe standards for renovating buildings. With the immense investment we have in Ontario in existing structures, this timely innovation should assist in the maintenance of our high-quality building stock. It should also encourage greater and better use of the existing buildings in Ontario.

We face a variety of challenges in this field: building regulations, education and policy, and I would be pleased to explore these in some further detail, if you so wish.

Ms. Carr, do you want to give us the present

tion on career options development? Then I would ask Dave Hodgson to go through the building code and the things we are planning there.

**Ms. Carr:** Mr. Chairman, I would like to highlight for you the purpose of the program, some of its objectives, why a new program such as this is necessary now in view of the constraints we all face, the benefits to the ministry and to individuals, as well as describe where we are with this program now.

The purpose: for staff, it creates an innovative approach to career development under the present economic constraints. It provides career opportunities for eligible employees to pursue their career plans within, as well as outside, the ministry.

For the ministry, a more streamlined organization will evolve after candidates have gone through the program, since both salary and ceiling dollars will be given up. For managers managerial flexibility will be increased as a result of having access to a contingency fund of these salary and ceiling dollars.

The fund will be used for reorganization purposes once a participant has moved through the program into a new job, or this fund can be used to meet new government constraints and avoid potential layoffs in the future.

Internal mobility will be increased by this program. Since the government is not hiring, we will be providing some opportunities for staff to move within the government, within our ministry, and to gain some development in other areas by taking on new responsibilities.

10 p.m.

Why is this program appropriate now? The government requires a new approach to management geared towards making the best possible use of its human resources, of its staff, at this time, and creating career development opportunities. Given the current economic climate we are facing, there will be increasing demands for budget restraint, as well as productivity improvement throughout the civil service.

Presently our ministry, as well as many others, is in a no-growth situation, and can be expected in the future to shrink in size, due to program elimination as well as to changing program priorities.

This shrinkage can either take place through a directive from Management Board, or can be promptly carried out through a program such as this, over the next three years. Career growth opportunities in our ministry are limited because

of the unemployment conditions as well as the economic conditions. Therefore, it is necessary to develop some new alternatives for career development within our ministry.

We have designed the new career development options program as a mechanism for providing career development opportunities for staff in our ministry who might not otherwise have an opportunity to move within the system and within our organization, because of the lack of turnover and the lack of hiring.

The benefits of the program are that management will have increased flexibility through the use of the contingency fund I mentioned, which is made up of the salary and ceiling dollars which are generated when a vacancy occurs once an employee has been placed in another position.

It gives the ministry the opportunity to streamline the organization and contribute to the "more with less" government thrust, without increasing the number of surplus staff. We are offering those employees who want some career development opportunities a chance to nominate themselves to the program, to take on a new job in a different area.

What we are suggesting is very different from across-the-board cuts, which reduce the number of staff but do not give those employees who enjoy their jobs and want to stay in their current positions an opportunity to do so. With the career development options program, we get some voluntary staff reductions without putting someone out of a needed job.

For staff who do not go on the program, there will be greater possibilities for job enrichment and internal advancement, because some positions will be unblocked in the organization.

For staff who take advantage of the program there will be an opportunity to achieve their career goals, and be more marketable in future.

As for the program update, the program will operate on a cost-recovery basis, with the savings being generated on a one- to two-year period, so additional funding is not required from Management Board.

Currently we have held information sessions on the career development options program for three quarters of the ministry's staff. Although we are in the first year of operation, we have had over 120 inquiries from personnel in our ministry and we have conducted 60 career development and career counselling interviews.

We expect to generate total savings to the ministry of \$850,000 by the end of this three-year pilot project.

On the one hand the career development options program is allowing us to save substantial dollars, while on the other it is contributing to our staff's getting some career development in a constraint environment.

**Hon. Mr. Bennett:** Thank you very much.

If they wish, maybe the committee would like to deal with this subject, and then we will go to the building code later, or—

**Mr. Chairman:** Sure.

**Hon. Mr. Bennett:** Mr. Gardiner Church, who is in charge of the administration, Mr. Cornell, my deputy, and I will be pleased to respond.

**Mr. Chairman:** Questions?

**Mr. Breaugh:** I have a couple.

I notice that a number of organizations in the private and in the public sectors are beginning now to explore this whole field. I really it find a fascinating exercise, particularly in the private sector.

I had an interesting discussion with a management fellow from General Motors. They went through this kind of an exercise, really as an alternative to just chopping folks. They wanted to attempt to make an assessment of what kind of flexibility they had in management terms.

They thought that one way they would start the program would be to look at simple things that were not terribly complicated initially, but which turned out to be very complicated, important and expensive parts of the process. One of these was paper flow.

They were getting concerned at the amount of staff time they were spending generating paper, for example, to get parts to a plant at a certain time, then the subsequent paper flow to check to see that that had happened, and a similar paper flow on the other side from the supplier.

One of the studies they have under way is looking at the amount of paper generated, how much of that is necessary, and how many employees are allocated to see that this paper flow continues.

From some of my colleagues who are still in education it appears that this approach has not quite hit the educational field yet. I had an opportunity to watch some teachers go through the paper flow exercise in their school. I have been out of schools for almost a decade now, sad to say, and I do not think I could cope with the kind of paper flow there now.

I know that in the ministries, from just the

flow that comes across my desk—and I only get the fringe of all this—there has to be a horrendous amount of time and effort wasted in moving pieces of paper all over the place.

I would imagine that part of that is incorporated in this program you have, and I would like to hear some of the things you are trying to do in that regard.

**Mr. Church:** You have hit on a point that has taken a good deal of time within the ministry this year, not just in terms of paper flow, but in procedures and processes generally.

Basically, we have three initiatives under way in the ministry. The career development options program is the most hopeful in the sense of trusting human nature.

Its basic thrust is that we think in many instances the staff in the ministry can identify better ways to do what they are doing. In the past, the rewards for making that kind of identification have not been very much at all. In fact, often the award has been to be made redundant.

**Mr. Breaugh:** That is right. You put yourself out of a job.

**Mr. Church:** We have taken the tack of saying: "Why not try to turn this around and still not cost the government any money? If you can find a way that you can persuade your manager does the job better, so your job is no longer necessary, and you have a career plan, an objective that is reasonable and achievable within a relatively limited period"—five to six months tends to be the time frame we are looking at—"then during that period we will assist you in career counselling and whatever other assistance we can give, short of actual money, to make your career move."

I do not think that kind of hopeful framework is going to turn over a very large number of people, but I think it will start people thinking in some instances. We have had four cases so far where the whole process has been complete. We have also found ways to eliminate jobs by improving productivity.

The second area we are involved in—and I must admit this has not yet produced any results, but it should—is the development of what we are calling an integrated management process.

There are some 13 management processes the government of Ontario insists on, for keeping managers accountable. They are fine, except they generate one heck of a lot of redundant paper.

We are trying, within the ministry, to ensure that whenever we collect a fact, we retain it and use it for all the processes, without ever having to go back to the well and regenerate another similar but slightly different fact.

That is a much more difficult process than I ever believed possible; trying to ensure that you plan in advance for the kind of data you will need for all purposes, and feed that back through the management system so there is a minimum of duplication.

The final initiative—and it is one supported fairly broadly through the government—is the philosophy of decentralization; trying to place broader power in managers' hands, admittedly subject to greater accountability, but with fewer requirements to go back for prior approvals. That is where a fantastic amount of paper flow takes place.

Those are the three major initiatives. The DOP one is the only one that is off the ground in a big way—a small way, but a big way in terms of change of direction.

I would hope we would have fairly significant progress on the other two initiatives by the end of this year.

**Mr. Epp:** May I ask a question? Have you ever asked a management consulting firm to do a study on the ministry, or jointly with another ministry, on the whole organizational chart or part of the chart of your ministry within the last few years—to do a kind of an efficiency study of your ministry? I will ask the minister that.

**Hon. Mr. Bennett:** Are you talking about the whole, broad ministry?

**Mr. Epp:** The broad ministry, or parts thereof, recently—within the last year or two—  
10 p.m.

**Hon. Mr. Bennett:** We had parts of it looked

**Mr. Epp:** Who did you have?

**Mr. Church:** We have had two major studies in the past year that involved, essentially, analysis of organization and efficiency. One used the firm of Price Waterhouse Ltd., after a very long competition, and the other used the firm of Woods Gordon.

**Mr. Epp:** So both of them were tendered? You are saying that—

**Mr. Church:** Yes, both of them were tendered.

**Mr. Epp:** How much money did you spend on these consultant firms?

**Mr. Church:** I think we spent about \$70,000 on the Price Waterhouse study. I do not have

the figure on Woods Gordon; perhaps when we get to the housing vote—we spent about the same on the Woods Gordon study.

**Mr. Epp:** What did they find out?

**Mr. Church:** The Price Waterhouse study was essentially aimed at guiding us into better use of our electronic data processing function, particularly in view of the dramatic changes that have taken place in technology since we developed our major systems—things such as the electronic transfer of payments and much quicker availability to managers of data that used to cost a great deal of money. You are probably familiar with the kinds of changes that are taking place with what they call the microrevolution.

Woods Gordon was an analysis of the organization of the Ontario Housing Corp. relative to the ministry and to the local housing firms. Those resulted in a reorganization announcement on December 1.

**Mr. Epp:** Are those studies available?

**Mr. Church:** The Price Waterhouse study is available as a report. I do not believe a report of the Woods Gordon study was ever pulled together as a report. It was just a series of directions.

It is a report.

**Mr. Epp:** So they are both available then. Is there a chance of getting copies of them?

**Mr. Church:** Sure. I can get you the Price Waterhouse one today.

**Mr. Epp:** And the Woods Gordon one is available too, according to your staff—

**Mr. Church:** Yes.

**Mr. Epp:** —so we can get them?

**Mr. Church:** We will have them for tomorrow morning.

**Mr. Epp:** Are you making some major changes based on those two studies?

**Mr. Church:** In relation to the Price Waterhouse study we have made a number of major changes. The most major change is the adoption of a management policy within the ministry to direct us over the next 10 years to a new decentralized strategy for managing our electronic data processing resources. That has immense implications to our management style over the next few years.

On the Woods Gordon study, yes, it did lead, through a number of processes, to a major reorganization of the Ontario Housing Corp. and the community housing wing.

**Mr. Epp:** What you are saying then, if I read

you correctly, is that if adopted, both of them, particularly the former, would probably lead to a significant saving in the reduction of staff and so forth, reorganization and reduction of staff.

Were part of those recommendations reflected in the minister's comments earlier, when he said that about 175 permanent positions were eliminated and that contract staff had also been reduced?

**Mr. Church:** They are not directly related in the sense that the 175 positions were eliminated over the last year and a half, and the two studies you are talking about came down in the last six months.

The Price Waterhouse study will probably not result in any great reduction of manpower but, given this new strategy we are setting out, it should result in a much greater cost benefit from the use of EDP. It would be better to cover the Woods Gordon study under the housing vote.

**Mr. Cornell:** I would just like to add one thing with regard to the computer data matter. Ten years down the road we could have the same problem with tapes and software as we do now with paper. We are trying to anticipate that problem and get a system in place so we do not have a computer paper problem, to make that analogy. That was the purpose of this undertaking.

**Mr. Breagh:** A couple of areas related to this—

**Hon. Mr. Bennett:** If I may interrupt, we will cover the Woods Gordon report under vote 2405.

**Mr. Breagh:** There are a couple of comments I would like to make on this; just old hobby horses I like to ride every once in a while.

One of the things which has always disturbed me, particularly in dealing with planning matters, is that whenever you go to staff and seek their advice, they always came back with paper by the pound.

I used to read all of that stuff very conscientiously. After a while, I ceased to do that because, it struck me, that the name of the game was to put out charts and words. Size counted a lot; but they never told you anything.

It is something like the briefing books that are provided to opposition critics here. The name of the game is to put out something which looks impressive. A lot of words are used but the real name of the game is not to tell anybody anything. To make sure that no facts escape they are enshrouded in a thousand words, but there are no real facts in there.

As someone who works with a bureaucracy of your own I am sure you have encountered this. It used to be the bane of my existence and I used to constantly tell planners and other staff people who come in, "Stop handing me a report, tell me what you want me to know."

Of course, that always kind of runs against the grain because sometimes it is the junior planner's only chance in his lifetime to produce something which will be printed up on paper and go off to a council or a committee of the Legislature.

I often wonder, how many millions of dollars have been spent printing up words that are never read by anyone? I know when I was on council, and since I have been a member of the Legislature here, I think there are those of us who make the effort to read what crosses our desk. But, without casting any aspersions, I would think it reasonable to say that of the 800 pounds—or more—of reports which come into a member's office each year, we would be lucky if two pounds are read per year; the rest is just wasted effort.

It is not that we want to deny anyone's chance to write down for ever and a day what their field of expertise is, but Mr. Church is here and he was involved in the initial foundations of regional government in Durham. I will bet you could not find something in the world that has been more studied, reported on, graphed, whatever.

Before we got started they spent \$1 million on that area, putting together a report which everybody promptly ignored for starters, and then—

**Mr. Epp:** Are you saying Mr. Church is the father of regional government in Durham?

**Mr. Breagh:** No, he was touted as the big wonder of the ministry at that time.

**Mr. Church:** You are making this difficult.

**Mr. Breagh:** It is not really useless information. It is kind of useless misinformation. There are no facts to be gleaned from reading many these reports.

Mr. Cornell has pointed out that technology has taken us leaps and bounds; while it used to take someone a full day to sit down and write a hand, or type, they can now push buttons and give you 10 pages, 20 pages, 100 pages. It appears that the technology of the world could make this one of the world's greatest pollution problems.

**Hon. Mr. Bennett:** I guess you hit one of the interesting areas when you start talking more the line of planning and planning consultant

do not how you get a planner—I say this in the presence of Mr. Farrow and others—to be short, sweet and to the point. They believe that if they are going to argue one way or another on a case they have to give you the last century of historic lessons regarding that piece of land, or that particular problem, and work their way up to today.

It often reminds me of a report relating to planning we had made for the city of Ottawa. I knew we were in trouble when the first paragraph said, "The city of Ottawa is located on the Ottawa River, next to the Quebec border."

**Mr. Breaugh:** Small.

**Hon. Mr. Bennett:** It was a great way to start off the report. It had been to city council, and if the city council did not not know where the hell the city of Ottawa was, we were in trouble.

I do not know how you get people to reduce it. Actually, when Mr. Farrow reports to me on certain things I do not care what the bulk of the paper is; they give me a one-page or two-page summary. Like you, I want to know what is supposed to be the meat of the subject.

Mind you, I am in defence of the planners. If they get into a legal argument the lawyers will take us through every possible turn and twist, and if you do not have the backup information which is part and parcel of whatever it is you are going, then you are in difficulty.

On the other hand, if we do certain things in relationship to zoning in a municipality or an official plan and we do not give them all the information, then we are back looking for it anyway.

You say it is useless. Yes, perhaps it is. But they have trained planners there as well and they figure there has to be bulk, and this bulk keeps their comrade here employed.

**2:20 p.m.**

In turn, when they ask the region for something, they expect the bulk to come from the region, so they keep another planner employed. I say, very seriously, I am not sure how you eventually wind down. I have misgivings about the paper but, on the other hand, I think the legal complications dictate some of it.

**Mr. Breaugh:** You and I are both familiar with the planning process from a number of points of view. One of my observations is that we have all willingly participated in exercises which we know are stupid.

We have all sat on regional councils where we ask some rural township to provide us with a planning report. We know the planning report

was generated here in downtown Toronto and is the same planning report that that consulting firm sold to every other rural township in Ontario with a new cover on the outside.

Yet we all insist that that kind of report be done, even though it does not give us information and is not even relevant. It is done as an exercise to add an air of authenticity. Then when the developers get to work on it, they have a counterproposal which is of the same nature.

**Hon. Mr. Bennett:** May I suggest to you that maybe in vote 2402 we can get into that in more detail, because that deals with the planning responsibilities of the province, rather than complicate the administration vote.

**Mr. Breaugh:** At least we did not have some staff person writing up that reply, as would be the case with other ministers.

**Hon. Mr. Bennett:** Are there any further questions on the administration vote or do you wish to call Mr. Hodgson for the building code?

**Mr. Hodgson:** Thank you very much.

The presentation tonight will be short. I would like to give you some background on the transfer of the branch to the Ministry of Municipal Affairs and Housing, an outline of the responsibilities of the new buildings branch, and a brief outline of some of the new directions in which we see the regulation of buildings going in Ontario.

Members of the committee may recall that last January the Provincial Secretary for Resources Development (Mr. Sterling) announced to the Legislature that the building code branch of the Ministry of Consumer and Commercial Relations would be transferred to the Ministry of Municipal Affairs and Housing on February 1, 1983.

This transfer, the transfer of the building code, the Ontario Building Code Act and various plumbing regulations were based on a number of studies that had been conducted by groups such as the Ontario Association of Property Standards Officers and the Housing and Urban Development Association of Canada. These studies basically suggested there were overlaps among the key pieces of building legislation in the province and that the province should be encouraged to eliminate these and create a single focus for building regulations in the province.

The transfer was also part of the broader government thrust to regulatory reform. This was to consolidate and streamline regulations across the government as a whole. In the

Ministry of Municipal Affairs and Housing we feel that bringing building regulations to the ministry will improve the administration of this legislation governing construction in Ontario.

For one thing, it reduces the number of key players to two. It reduces it to the Ministry of Municipal Affairs and Housing, which already has the responsibility for property standards bylaws under the Planning Act, and will now have responsibility for building regulations under the Ontario Building Code Act and the building code. It also reduces it to the Solicitor General, who will retain responsibility for fire matters in existing buildings under the Ontario Fire Marshals Act and the fire code.

In acquiring responsibility for the building code branch, the ministry was given a new mandate. This new mandate was to further develop and streamline wherever possible the building regulations in Ontario to ensure that there was compatibility of all the legislation and regulations across the government. In order to do this and to create a new focus and a new sense of commitment to the ministry's efforts, we have created the Ontario buildings branch.

The Ontario buildings branch will continue to administer and deliver the programs of the former building code branch of the Ministry of Consumer and Commercial Relations. They will maintain the building code, administer two commissions, and provide advice and interpretations.

What is the building code and the Ontario Building Code Act? Very quickly, the Ontario Building Code is a set of regulations passed under the Ontario Building Code Act which regulates and establishes a minimum set of standards for the construction of buildings to protect health and safety and also to minimize the risk of injury from fire or structural damage.

The branch also administers two commissions. In Ontario, we have the building code commission, which is an arbitration body providing a mechanism to an applicant for a building permit or a holder of a building permit, where there is a dispute with the local building official, to come before an arbitration body without the necessity of going to court.

We also have a building materials evaluation commission. This is unique in Ontario. It encourages applicants for building permits to provide us with innovative designs. The commission can also authorize the use of very innovative building materials. These can be materials from other countries that are not written into the

national building code on which the Ontario Building Code is based.

The third ongoing responsibility is the provision of advice and interpretations. Enforcement of building regulations generally is the responsibility of local municipalities. The building code branch often becomes involved in providing advice to builders on correct techniques and on the regulations, as well as to municipalities to avoid confrontations and misunderstandings as to what the requirements actually are.

That brings us to the mandate of the new Ontario buildings branch. Basically, the mandate is to consolidate and streamline regulations, to undertake a very major information exchange through education and training, and to undertake policy development and research in the building field.

If we can back up to the consolidation and streamlining of the regulations, in Ontario there are three key pieces of legislation that regulate buildings. We have the Ontario Building Code Act, which provides the Ontario Building Code; the Fire Marshals Act, which provides the fire code; and the Planning Act, which provides for property standards bylaws at the municipal level.

In addition to these three major pieces of legislation, we have various acts for specific purposes, such as the hospitals legislation, the Theatres Act, the legislation dealing with day care centres and restaurants. In all, there are over 80 provincial acts that either regulate or confer power on others to regulate buildings in some form in Ontario.

The original intent of this legislation over the years was to be complementary and compatible. However, we have recognized that some overlaps do exist and we have been assured of a complete co-operation with our sister ministry in eliminating this overlap and duplication in the near future.

There has also been a tendency in the past to address other kinds of issues not directly related to public safety through building regulation. These are things such as room sizes or the size of bathtubs. We are now looking at this kind of regulation to ensure that only matters of public safety are regulated.

We hope to adopt a zero-based budgeting approach, if you will, to regulation. In other words, if it does not have to be regulated, we do not regulate it. We very much want to facilitate construction while maintaining public safety.

The second area is a very broad informat

exchange, including education and training. What we want to do here is provide more information to the entire building industry. When I say the entire building industry, I mean building officials, elected officials and the builders. We want to ensure municipalities are able to deliver a very strong municipal building service and facilitate the construction process. We want building regulations to facilitate and not impede building.

We want to assist the industry in its knowledge of building regulations and create a common understanding, if you will, so that the builders and the building regulators both understand the rules of the game.

Finally, in the policy development and research field, we want to look at and examine very broad building issues. We want to do research into improvements in administering building regulations at the local level, perhaps bringing them into the 1980s and updating their activities through the use of computers. We want to do a better job in rural areas and see how we can assist the industry in transferring the vast technological knowledge and many innovations in the field to ABC Construction in Ontario.

The final slide will be on what we have achieved to date since the branch was transferred on February 1, 1983.

After approximately two years of very intensive preparation, we now have a new 1983 Ontario Building Code. This came into effect on November 30. It has a number of significant changes. I have a document here which is available at the back of the room which highlights the major changes to the building code.

We have also had seven seminars across the province, with the theme Building Together, to which we have invited architects, engineers, builders, building officials, just about everyone. We sent out 22,000 invitations to the original seven seminars and we will be having another series in January.

As I say, there are some very significant changes here and we have a major presentation which, if the committee would like, I could make at a later time.

The first plumbing code was brought about in about 1960 or 1961. The last major revision was in 1966. Over the past year, with the help and advice of a very knowledgeable group of people from the advisory committee, we have come to the stage where we will be introducing to the

regulations committee—hopefully in the early part of January 1984—a new plumbing code which will assist the industry greatly.

Under administration: we are undertaking pilot projects in one or two municipalities which we hope will assist rural municipalities in delivering their responsibilities with respect to the regulation of buildings and create a one-window approach whereby provincial agencies, as well as ministries, can get a building permit and provide inspection services to a builder once, instead of nine or 10 agencies going out and inspecting at different times.

Under education: the housing renovation energy conservation unit, established before the transfer of the branch; and the municipal inspectors' training and education council. We have now come to the point, with four of the major associations of building officials at the municipal level—building officials, property standards officers, plumbing inspectors and bylaw enforcement officers—where we will be recommending to the ministry a unique approach to how we can better educate municipal officials so they can apply building regulations on a broad-brush basis, so that it is not just specific to only plumbing regulations or property standards. We also intend to undertake the education of elected officials with our new councillor seminars after the next election.

The liaison with the industry has undertaken new meaning. We have contacted HUDAC more often. We are also participating more with the federal government to establish the new building code at the national level which will be coming out in 1985. Of course, we have done a great amount of research into building-related issues, which I could go into at a later date if you would like me to.

Further presentations, minister—significant ones—can be made on the Building Code Act, its origins, the various policies under it and the requirements of the legislation under the new 1983 Ontario Building Code, and a major presentation could be made on the renovation code.

**Mr. Chairman:** Thank you very much, Mr. Hodgson. I guess we will reserve questions for Mr. Hodgson until tomorrow morning at 10 o'clock. This meeting is now adjourned.

The meeting adjourned at 10:33 p.m.

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Epp, H. A. (Waterloo North L)

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Laughren, F. (Nickel Belt NDP)

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Piché, R. L. (Cochrane North PC)

Stokes, J. E. (Lake Nipigon NDP)

### **From the Ministry of Municipal Affairs and Housing:**

Carr, F., Manager, Manpower Planning/Staff Development, Human Resources Branch, Corporate Resources Management

Church, G., Executive Director, Corporate Resources Management

Cornell, W., Deputy Minister

Hodgson, D., Director, Building Code Branch, Corporate Resources Management



No. R-22

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# **Hansard**

# **Official Report of Debates**

## **Legislative Assembly of Ontario**

**Standing Committee on Resources Development**  
Estimates, Ministry of Municipal Affairs and Housing

**Third Session, 32nd Parliament**  
Wednesday, December 7, 1983

Speaker: Honourable John M. Turner  
Clerk: Roderick Lewis, QC

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# LEGISLATIVE ASSEMBLY OF ONTARIO

## STANDING COMMITTEE ON RESOURCES DEVELOPMENT

Wednesday, December 7, 1983

The committee met at 10:07 a.m. in room 228.

### ESTIMATES, MINISTRY OF MUNICIPAL AFFAIRS AND HOUSING

(continued)

On vote 2401, ministry administration program:

**Mr. Chairman:** Last night when we parted ways, we viewed and heard a presentation from Mr. Hodgson on the building code branch. Do many members have questions of Mr. Church?

**Mr. McClellan:** I had a chance to read the booklet the ministry was kind enough to provide to us last night. I have not had a chance to read the entire code. I do not profess to have any competence at all—

**Hon. Mr. Bennett:** I thought it was one of your occupations.

**Mr. McClellan:** No, I am not expert in the field.

However, there are two questions I have. One has to do with sound-proofing requirements under the code. I ask this question because, quite frankly, it has been a major problem in a number of the developments which have been constructed within the Frankel-Lambert complex I referred to last evening.

**Hon. Mr. Bennett:** At the railway?

**Mr. McClellan:** Yes; a number of the projects which were built strictly to code are quite frankly paper thin in terms of sound. It really is—

**Hon. Mr. Bennett:** It must be the same contractor at 777 Bay Street.

**Mr. McClellan:** Have the sound-proofing requirements under the code been altered in the revisions which went through in 1983?

**Mr. Church:** Yes. I believe the sound attenuation requirements have been increased. David can—

Interjections.

10:10 a.m.

**Mr. Hodgson:** The sound attenuation requirements have increased substantially, particularly in areas close to service areas: around elevator shafts, garbage chutes, things of that nature. They have increased quite substantially.

There is a further committee examining that right at the moment, along with the city of Toronto. It is not only sound attenuation between units, it is sound attenuation on the vertical plane as well to avoid problems such as someone dropping a shoe or something on the floor above.

**Mr. McClellan:** But it is under examination with the city?

**Mr. Hodgson:** If it is helpful, I will not put them on the record here but I can give you some suggestions about projects you might visit that have really serious problems, problems that are so severe some people have been forced to move simply because their privacy is violated as a result of the poor sound proofing quality. This is attributed not to defects in construction but to inadequacies in the old code.

**Mr. McClellan:** The other question has to do with insulation requirements. There was nothing I could see, except the bit about thermal design on page 42 of the booklet, which referred specifically to more stringent insulation requirements. Perhaps you could brief us on any changes in the code related to changes in insulating requirements with respect to residential housing.

**Mr. Hodgson:** The only changes in insulation requirements were very minor changes. The exposed ceiling was increased from R-28 to R-32, and exposed floor spaces were increased to R-26. There was no increase whatsoever with respect to energy conservation requirements, which would involve the insulation value on outside walls. There were increases with respect to the insulation or the thermal resistance value of exterior doors and on glazing of windows. They now have to be a certain R value as well.

**Mr. McClellan:** What is the R value? Rather than take the time of the committee to go into that in detail now; if you could provide us with a summary of the current R-value requirements, that would satisfy my purposes.

**Mr. Epp:** Are there any difficulties in having the new code adopted across the province?

**Hon. Mr. Bennett:** Very few.

**Mr. Epp:** Are the municipalities and every-

body co-operating substantially with the ministry? What about private enterprise?

**Hon. Mr. Bennett:** Private enterprise has been very closely involved with us in reviewing it. I guess the only criticism was from people who would have liked to have the seminars we were holding take place in more locations than the seven we established, and there is some justification for that. We have indicated clearly there will be more in the new year.

In the north country—the Sudburys, the Sarnias, the Thunder Bays—contractors and others like to think there should be one in each one of their communities. We will try to accommodate that, but there are travelling problems.

**Mr. Epp:** I was going to say that in the north you would really have to spread them around because they have to travel further. It is easier to take your travelling show to them than for them to travel all over.

**Hon. Mr. Bennett:** Right. Basically, the whole process has been well received. The industry obviously has felt the code should be updated. As David said last night, the plumbing code goes way back, 18 or 20 years. It does not seem that long but the number of advances that have been made in the plumbing world in those 18 years is rather substantial.

One of the things I would ask David to cover for you is the two commissions and their composition, that is the Building Code Commission and the Building Materials Evaluation Commission. Most of the people who serve on the commissions, even though appointed by an order in council, are really recommended by various industries, such as the wood industry. What others are there?

**Mr. Hodgson:** The Building Code Commission is the arbitrator of disputes between local municipalities and local building owners and contractors.

**Hon. Mr. Bennett:** Right.

**Mr. Hodgson:** We have 15 members. What we have tried to do is have on the commissions representatives from various areas of expertise. We have people who represent the Ontario Association of Architects, the Association of Professional Engineers of Ontario, the Canadian Wood Energy Institute, or the Canadian Portland Cement Association in case we get into a problem with foundations. We have someone from the Canadian Steel Construction Council in case we are dealing with a requirement with respect to steel spans in a basement.

We have a number of others. The list goes on through the whole 15.

With respect to the Building Materials Evaluation Commission, we again go into fields representing all the material suppliers. We have people from the Society of the Plastics Industry of Canada. We have people from the Architectural Aluminum Association of Canada dealing with certain innovative new techniques they want to employ.

We have the manufacturers of fixtures so they can look at new products being brought in from Europe. It is a wide representation of the entire industry. We also have fire resource people so that if there is a proposal that may have some fire safety aspects we can call on them. We have access to the Solicitor General's people as well.

**Mr. Epp:** When you send out these invitations, it is something like 25,000 if I remember correctly.

**Mr. Hodgson:** It is 22,000 in all.

Just as an aside, when we sent those out we had terrific co-operation from the organizations I just mentioned. For example, The Housing and Urban Development Association of Canada in Ontario sent them to some 12,000 people on its mailing list when distributing its newsletter. The HUDAC home warranty people also sent it out to some 3,000 registered welders along with their newsletter. We have our own mailing list of building officials, municipalities, architects, engineers and various other people—about 14,000. That made up the 22,000 invitations we sent out.

**Hon. Mr. Bennett:** May I just interject here to say that I believe tomorrow I will be bringing in a bill involving minor revisions relating to the building code. It is suggested we transfer some further responsibilities to the municipalities and their building inspectors so that they can use a greater degree of discretion on alternatives in the renovation and redesign of buildings. That is something we have talked about and on which there seems to be common appreciation.

I just thought it would be well if we mentioned it today. It will give a number of the major municipalities some of the authority they want in areas where they have not had any discretion. They actually had to do X, Y, Z, and as a result the whole renovation process became somewhat academic because they could not meet the conditions of the act.

**Mr. Breaugh:** I am really pleased that a five-storey building can now be called a five-storey building as opposed to being called a

three-storey building as it was under the previous code. It seems to me that is a great leap forward.

**Hon. Mr. Bennett:** You mean we can count better now.

**Mr. Breagh:** We are getting there.

One of the problems I have had with the building code is that it goes into great detail—and I am sure from the industry's point of view that is the approach it wants to take—but when we get right down to it we continue to have problems; in particular with homes where it is clear something is wrong and yet the building code has been met.

My most vivid recollection of this is an instance in which a woman moved her piano into her new home and the piano fell through the floor. We took the building inspectors out. The entire house conformed to the building code yet the piano still fell through the floor. People out there do not understand how something can conform to a building code and still things crash through the floor.

**Mr. Epp:** It must have been more than 50 pounds.

**Mr. Breagh:** Most pianos are.

**Hon. Mr. Bennett:** There must be a measurement per square foot or square inch.

**Mr. Breagh:** There is. It was just the shock. This woman had just paid about \$120,000 for a brand new home and moved a rather expensive piano into it on moving day. To have the piano fall through the floor is a little disconcerting. Try as we might, we could not convince her the building code was really quite good, the building inspectors had done their job and everything conformed. She still pointed to the piano dangling through the floor.

**Hon. Mr. Bennett:** That's show biz. Was she playing it at the time?

**Mr. Breagh:** No, she was not playing the piano at the time.

**Mr. Chairman:** Having been in the moving business, I can imagine the movers probably got blamed for it. They get blamed for everything else.

**Hon. Mr. Bennett:** Can you think of anybody better?

10:20 a.m.

**Mr. Breagh:** I have heard a number of rather sad tales. While my own home was under construction a building inspector made the builder tear out the entire steps in the interior

because they did not conform to the building code. I think they were about an inch off whatever the requirement was. I was of mixed opinion as to whether he really did me any service or whether he just caused the builder considerable inconvenience.

It goes to this whole problem of the approach that is used in the building code in attempting to identify industrial standards, I guess that would be the best term to put on it. Sometimes those industrial standards make good sense, I am sure, when you are writing them up, but when they are applied in the field they make no sense at all.

The same problem exists, for example, with the Housing and Urban Development Association of Canada, where you go to someone's new home where there is an obvious problem in its construction. HUDAC comes in and their inspectors will go over it. It meets HUDAC's standards but it is obviously wrong.

HUDAC, in my experience anyway, will attempt to talk to the builder about correcting the fault but they will also be very meticulous about explaining to the consumer: "There is nothing in violation of any code here. The fact that something is wrong is a matter that we will discuss with the builder, but we cannot make the builder do anything about it." You are really left with the old problem that if the builder feels like doing something to rectify a situation he will, but if he chooses to rely on having met certain standards he is within his rights to do that and will stand firm.

**Mr. Church:** I think that is a product of the method of regulation by code. A standard is established, and once you have met the standard your responsibilities are finished.

One of the things we are looking at quite closely, partly in recognition that the renovation code has started us in this direction but partly in recognition of the need that you are articulating, is to find a more flexible way to administer building standards without seeing any deterioration in life safety standards.

It is a tricky problem, because the minute you start creating room for discretion by building inspectors, given that there are a fair number of not particularly well qualified building inspectors in the province, you start having greater life safety risks at that end of the scale.

One of the things David mentioned in his presentation that we are very keen on is endeavouring to develop a fuller understanding with builders and building inspectors of the life safety systems that are essential in any building

so that we can create more flexible building standards. By that I mean building standards that are related to circumstances, to the specific site, the specific situation; where a building inspector can enter into a dialogue with the builder, and perhaps even the owner, to say, "This seems to be safer than that," regardless of whether there is a deficient standard.

It is a tricky problem. When you work from a fixed code you will never be able to have something that fits all situations, and that is something we are trying to move fairly aggressively on.

**Mr. Breagh:** One of the things people run into is that laymen sometimes have a difficult time reading the code and understanding what it means. I picked one example out of this little booklet and I would like a translation, please. On page 29 there is a section called "Occupancies in Public Corridors," which says:

"Requirements for public corridors have been clarified to indicate that if they contain an occupancy it must not restrict the required width of the corridor. The flame-spread rating of the occupancy has to meet the same requirements as for public corridors."

Now, what the hell does that mean?

**Hon. Mr. Bennett:** And you were a teacher.

**Mr. Breagh:** I have two degrees, but that was not one of them.

**Hon. Mr. Bennett:** Was that a fighting degree?

**Mr. Breagh:** Not in the occupancy and flame-spreading department.

**Mr. Hodgson:** This particular requirement would be addressed to a part 3 building, that is over three stories and greater than 6,000 square feet. The people who would be reading this would be the architect or the engineer who would be designing the building and, presumably, the building code officials, so we would not run into the general public.

It does contain a fair bit of jargon. What it says, basically, is that where there is a public corridor and you have a room opening onto it that room cannot obstruct the required width of the public corridor if you have the door opening out. Then it also says that whatever finished material is on the walls in the hall has to be of the same flame-spread rating as what is in the occupancy area.

In other words, if you have an assembly occupancy—say you had a room such as this and the doors were opening outwards—they could not restrict the flow of traffic or the width set out for pedestrian flow in the corridor; and

the finish throughout has to be of equal flame-spread rating.

Just to get to your other remark about the code: part 3 is a performance-level document. It says that you should design buildings to perform to a certain standard. Part 9 is the very prescriptive thing for the smaller buildings, directed to the smaller builders, and they do like that.

But your point is well taken. Even the builders, out in the rural areas, at times have difficulty understanding the code.

What we are going to do—it is going to be a new kind of customer service exercise—is put an illustrated guide at the back of the looseleaf version of the code that will put out in very clear terms, "This is what such and such a section means and here is a diagram of how to do it." This is something the building officials and the builders have been requesting.

**Mr. Breagh:** I do think it is important that when people are expected to conform to something such as a building code you should not really require translation services to identify exactly what the code says.

I do not deny for a moment that when you write in law there may be a need to use vocabulary which the public at large does not understand. But for practical purposes, if there is a dispute between a builder and a consumer, both parties should be on equal ground in understanding just exactly what the code says.

That continues to be a bit of a perplexing problem because when you write a code you want to use an exact vocabulary which may not be understood by the broad base of the population. But it becomes useless if there is no means of communicating in normal English what that code means.

**Mr. Hodgson:** Agreed.

**Mr. Chairman:** Thank you, gentlemen. Are there any other questions on any part of vote 2401, the administration program? If not, we will pass that vote and move on to other items.

**Mr. Epp:** I just have one question, and I guess it is related. It has to do with the debenture incident in Cambridge. The chairman is probably well aware of it.

**Hon. Mr. Bennett:** Debenture?

**Mr. Epp:** Yes. You will recall that they had thousands of dollars' worth of old debentures which someone then decided, a few years ago, to take to the dump and bury. As I understand it, the debentures were never really cancelled out. There was nothing on them to indicate they were cashed, that money was paid for them;

someone eventually sold them to an antique dealer, who then took them to the—

**Hon. Mr. Bennett:** If they got the same price as the book did yesterday, that would not be so bad.

**Mr. Epp:** Almost. Someone eventually took them to the bank and cashed them for \$37,000, put the money in the bank, and eventually the money was obtained, but these debentures were never cancelled out. The city of Cambridge now uses a shredding machine—

**Hon. Mr. Bennett:** So they should.

**Mr. Epp:** —with their documents.

I am just wondering what steps the minister has taken up to now; obviously he was not aware of it, so he has not taken any. But he has been briefed very quickly on this.

Eric, thanks for being here this morning.

**Hon. Mr. Bennett:** That is what comes of having good staff.

**Mr. Epp:** I am just wondering what steps the ministry has taken in order to notify municipalities that when they have these debentures they should make sure they either shred them or do something with them once they are cashed, because I think it was the Toronto Dominion bank—or whichever one it was—that cashed them.

Somebody could have walked off with the money. I think they got all their money back, but not only that, they bought the debentures, they could legally cash them, and they could have got hundreds of thousands of dollars out of their scheme, quite honestly.

I guess the bank would have been at fault. Mind you, it would have had the money to pay for it; I would not have felt particularly sorry for them. I am just wondering what—

**Hon. Mr. Bennett:** First of all, the bank assumed the responsibility.

**Mr. Epp:** Yes.

**Hon. Mr. Bennett:** Second, most of the communities in Ontario have internal auditors or external auditors under contract to do their work and give them advice on the financing and those aspects relating to the financing. It is hard for me to sit here and think that it is incumbent upon the minister or the ministry to say to municipalities, "When you get in those debentures and you have paid them off, you should put them through a shredder, or something."

In personal life, if I have a credit card I no longer want to use I take a pair of scissors and destroy it, so someone else cannot make use of

it. If I have cheques that I have signed and do not want them to go out, then I destroy them immediately. That degree of common sense, understanding and appreciation, I think flows fairly well throughout the communities of Ontario.

**10:30 a.m.**

If by chance somebody such as in Cambridge—for what reason I really cannot appreciate—did not destroy them, obviously it is within the administration itself that somebody should jack them up. Without being held liable for anything I say at this moment, I would think a portion of the responsibility has to be their auditor's responsibility. It should be they who see to it that the debentures, which are a commitment of the municipality, once paid off, are either cancelled by some type of process of punching through the debenture, or by an entry just across the face of it.

**Mr. Epp:** The other thing that surprised me is the way they buried all these documents. They just took them over to the dump, and anyone was able to pick them up. This was not long ago; it was about two years ago. Then someone kept them and eventually sold them. I just thought that the whole practice was somewhat shoddy in the way they were handling what I would have thought were confidential and important documents.

**Hon. Mr. Bennett:** It is like some of the times we have experienced incidents where some medical records have gotten out without being destroyed. It is hard to say why.

I would say this for the communications people in the ministry—and when we come to the municipal vote, we might want to raise it again. These things would have been covered in our newsletter, which is background material we send to the municipalities to inform them of various changes and things that are happening in the ministry, legislatively and so on. They have made a particular reference to the fact that certain debentures had wandered off and had not been put through the cancellation process—what would not have been a normal practice—and brought it to people's attention.

We did not get into saying to the mayor, the reeve, or whoever, "You know, you'd better check up and make sure your debentures are being cancelled. We believe there is—"

**Mr. Epp:** I am not for a moment suggesting you people are responsible for that.

**Hon. Mr. Bennett:** Thank you.

**Mr. Epp:** Since this problem has come to your attention, what I am asking is what you are

doing to notify the other municipalities, so that they do not fall into the same kind of pit.

**Hon. Mr. Bennett:** We did include it in what we call our background material.

**Mr. Epp:** Yes.

**Hon. Mr. Bennett:** Newspapers do a great deal to alert all the other mayors and reeves of such things too.

**Mr. Chairman:** That received pretty good coverage in one of the regions, anyway.

**Mr. Epp:** Cheap mailing.

**Hon. Mr. Bennett:** The odd time it is great that we can ride on the backs of the press.

**Mr. Chairman:** Shall vote 2401, items 1 to 10 inclusive, carry?

**Mr. McClellan:** Wait, wait.

**Mr. Chairman:** That is the administration program.

**Mr. McClellan:** Yes. You caught me by surprise.

**Mr. Epp:** Rather than take 2401 and 2402, why do we not just do 2401 and then go through these, because I—

**Mr. Chairman:** One at a time?

**Mr. Epp:** No, like when we are faced with 2401—

**Hon. Mr. Bennett:** Carried in its entirety.

**Mr. Epp:** Yes, it is carried in its entirety. Then we will do 2402 and 2403 and—

**Mr. Chairman:** That is what I am saying: carry items 1 to 10 inclusive, then on to the subvotes.

**Mr. Epp:** I am not finished with 2401, period.

**Mr. Chairman:** I am sorry.

**Mr. Epp:** I still have a couple of things.

**Mr. McClellan:** Why do we not just have discussion within the vote, and then any of the items—

**Mr. Epp:** Yes.

**Mr. Chairman:** Okay, anything in the vote.  
Interjection.

**Mr. Chairman:** All right. Fine. Carry on then, Mr. Epp. I am sorry. I thought we were finished with that.

**Mr. Epp:** With respect to the Bureau of Municipal Research, you recall that it was cancelled out after—I think they started in about 1914, or something of that nature, and relied very heavily on the grant of \$25,000 they got from the government.

I would have thought that, since they had

produced a number of good reports—ones that were picked up by private industry, by municipalities, and, I am sure, by the government from time to time—it would have been well worth your while to spend \$25,000 on this organization just for the research alone. I was surprised that you could not find \$25,000 in the budget of \$2.3 billion in order that the government could give that kind of support.

The other reference I want to make has to do with equal opportunity. As far as the employees are concerned, I notice on page 23 of the binder that, on average, women earned about 66.2 per cent of men's salaries in 1983, which is an increase of about 2.1 per cent from a year ago, or about 4.4 per cent since 1981.

As far as equal opportunity is concerned, as reflected in this ministry, it does not seem that the women in the ministry have the kinds of opportunities they should have. That is less than an increase in the expenses in the ministry itself.

I think that you, minister, could perhaps take a more active part in bringing women into important positions in the ministry because, as they move up the ladder, they are obviously going to get higher salaries. That certainly is not reflected in the kind of data that has been given out.

The other point I want to raise has to do with the former mayor of Oakville, Mr. Masson, appearing before the town of Oakville—last April, I think it was. He had originally been part of what I think is the west Oakville study.

He is chairman of the escarpment commission. He is not a resident of the west Oakville harbour area. He was certainly mayor of the town of Oakville at one time. His attempts to influence the members of the Oakville council in this particular rezoning petition were disturbing to me, and should be disturbing to you because he handled the hearing in February 1983 with respect to the parkway belt west plan in Oakville.

I certainly felt he would have been more discreet, and I certainly thought he had some form of conflict of interest in appearing before council and trying to influence council on behalf of this particular developer. I would have thought that, as the minister responsible, you might have slapped his fingers a little for his trying to influence council. He held a responsible position as appointed by the government, and instead, you defended him in the Legislature.

What kind of signal does that give out to the other people who hold positions of that nature? Can they try to influence councils? Should they?

In the final analysis, you seem to be approving that kind of behaviour.

I thought it was particularly regrettable. You seem to condone that kind of behaviour by Mr. Masson, yet we put out conflict of interest guidelines for municipalities at the same time.

I agree with those guidelines. I do not disagree at all. However, we are saying that they should be very careful with respect to conflicts of interest, and then we permit Mr. Masson to do what he wants to do, to the extent that he did appear. Although you did not have control over him originally appearing—I am sure he did not consult you on it—you seemed to be defending him after he did appear, which was surprising.

I guess I have covered that aspect quite substantially. I wanted to cover the Ontario home renewal program, known as OHRP, and I covered that briefly yesterday, so I think I have gone through the time limitations for all the things I wanted to discuss. I will leave that for now.

**Hon. Mr. Bennett:** Do you want me to respond?

**Mr. Chairman:** Yes, I think it would be just as well to respond.

**Hon. Mr. Bennett:** The first point you raised was about the Bureau of Municipal Research, and our not continuing the grant funding of it.

For some years, the Ontario Bureau of Municipal Research had been told by the ministry that their grant was going to be terminated. About two or three years ago, they came in to see me. We sat down and had a long talk. We came to an understanding as to the termination of our grant money to them. Indeed, we advanced extra money to them so they could use it in an investment program, and perhaps to some degree offset some of their costs by the interest they would accumulate from the moneys we advanced to them.

They indicated that they were going out to do the private sector. When we looked at where we were in the financing of the Bureau of Municipal Research, an organization that is supposed to be acting on behalf of the private sector, not government—they were not supposed to be acting on behalf of government; they were there as a corrective forum, or as input to some of the policy of government. The fact remains that when it came down to it, government was basically called upon to put in the biggest portion of the sponsorship as an individual contributor.

10:40 a.m.

Some of the private sector, for reasons best known to them—and I really cannot tell you why they had not come to participate as forcefully, as positively, as greatly in dollars as I guess the bureau would have liked to have seen. Indeed, they came to the same thing with municipalities. Municipalities shied away from getting involved to any great extent with the Bureau of Municipal Research, which I understood was partly to operate as an arm to assist municipalities in looking at things the provincial government was doing.

We gave them very clear notice, and it was not a matter of cutting off the arm overnight. It was a matter of having said to them, at least 24 months in advance of what we did, if not longer: "Here is what we intend to do. We want to give you fair notice, so that you can put your own house in order financially, and seek other funding at the sources you originally intended to be financed from, not from government."

If you go back to 1914, it was not to be financed by government. It was supposed to be something that represented a position out and away from government, and that is who was supposed to do the financing.

I guess that, by accident or whatever, they come to depend on getting a grant from government, as do a lot of them, and then when you give them a grant one year it is in perpetuity. It is one of the cardinal sins that we make in the field of public office. Once we get involved in something, it then becomes routine, standard. It is just taken for granted that we want to continue.

That organization, and several others that we have been doing some financing for over the years, have all been clearly and distinctly given notice that we were withdrawing those grants. I think our treatment of the Bureau of Municipal Research was very fair, and I think they would have to admit it. We sat down and negotiated the whole thing with them, and they accepted the offer we made.

When they could not succeed in doing what they had to do in the outside world, they thought they should come back, and that we should again start to finance them. I said no.

On women's issues within the ministry: Marilyn Fitzgerald, who used to be a special assistant to the former deputy minister, has been in charge of the women's bureau for the Ministry of Municipal Affairs and Housing, and I think she has been doing an outstanding job. Marilyn has worked at the job in trying to run special courses and opportunities for female employees

within the Ministry of Municipal Affairs and Housing.

Sure, you say the increase is four or five per cent since 1981. I will say, in defence of the ministry, that we are moving in the right direction, and that is positive. I do not think that either you or I should expect to see a dramatic switch overnight, because all of those situations have to work themselves out within the ministry and up through the ministry.

I am not here bragging about it. However, I am saying, from a very positive point of view, that we have moved in a positive direction in trying to assist and improve the career opportunities for women employees within our ministry. I give a lot of the credit to Marilyn Fitzgerald.

**Mr. Epp:** It is no reflection on her, but it does not seem to be going very fast. Maybe she is doing a good job, but it does not seem that very much headway is being made.

**Hon. Mr. Bennett:** That depends on how you measure headway.

**Mr. Epp:** Well, progress.

**Hon. Mr. Bennett:** You take a percentage factor, and you say it is going to move by four or five per cent in the matter of two years or less. I just suggest to you that you have to look at the overall system as to the ability of being able to get these things to move.

I do not think it is your intention that I should take a male employee, for example, and bring him down to allow someone to go up. I do not think that would be in the best interests of the overall system and progress of the government, and service to the people.

Marilyn gives advice and direction to both the deputy and myself and we try to move on it with her advice as the background and understanding of what it is we are trying to achieve. I have been told that this ministry has likely improved its position in significant positions more rapidly than others.

Again, I have to caution you that there is no sense in thinking that we are going to turn this whole thing around, or that we will make changes so dramatic that the shock waves will go through for others employed by the government. I think Mrs. Fitzgerald's advice to us has been very valuable, and has helped us to improve even by four or five per cent in about a 24-month period or less.

Coming to the Allan Masson situation, I admit that he did not consult with me. You say he went to persuade or influence the council. I find it difficult to go and say to Mr. Masson, "I

do not think you should go to the council and offer them any kind of interpretation, translation or your understanding of the situation."

Although he happens to be under contract to the people of Ontario, and his job on the Niagara Escarpment Commission is one thing, I do not think we should curtail a man with his degree of knowledge from expressing some views. Council does not have to take it. If you went before your council, is it to be considered as trying to influence them or give them some degree of—

**Mr. Epp:** Of course.

**Hon. Mr. Bennett:** I would hope it would be that you wanted to inform them.

**Mr. Epp:** You are not going there not to. I mean, he was going on behalf of the developer. He was not going not to try to persuade them. He was not going there just because he had nothing else to do, because there was no movie on in town that he wanted to see.

**Hon. Mr. Bennett:** I do not know; there might have been.

**Mr. Epp:** I am sure he went there to influence them.

**Hon. Mr. Bennett:** He went to inform them. If his presence before council happens to be to influence them rather than giving them advice, knowledge and his understanding of the situation, so be it.

**Mr. Epp:** It is all semantics.

**Hon. Mr. Bennett:** Sure it is. That is why people hire lawyers, consultants and planners to go before councils; if that is to influence them, I suppose that is what they are paid for. But I have appreciated the fact that some of them come before me as the minister to try to give me the wisdom of their appreciation on any given subject. I hope I have the ability to take what they and others say and draw a conclusion and not consider it as being influenced.

**Mr. Breaugh:** Mr. Epp said, and I guess this would be pretty well accepted now, that Mr. Masson appeared on behalf of the developer.

**Hon. Mr. Bennett:** He spoke on his behalf. I did not say he appeared on his behalf. He spoke in favour, I guess, of the developer.

**Mr. Breaugh:** I notice you did not correct Mr. Epp when he said that, and it struck me as odd that you did not because you are usually rather meticulous about that.

**Hon. Mr. Bennett:** I am not a lawyer.

**Mr. Breaugh:** Subsequent to this little inci-

dent, have you prepared any guidelines for people in similar kinds of positions appearing in front of councils?

**Hon. Mr. Bennett:** No.

**Mr. Breagh:** Do you not think there is a conflict of interest when people who are in a position like Mr. Masson's do that and that it has to be clarified on what basis they would appear in front of a council? They are not there as John Q. Citizen; they are there representing a commission of Ontario.

**Hon. Mr. Bennett:** No. Pardon me. That is not correct. You wanted to correct the statement that Mr. Epp made.

**Mr. Breagh:** Now that you are getting back to your normal self, go ahead.

**Hon. Mr. Bennett:** I am just suggesting to you that he was not appearing as the commissioner of a provincial—

**Mr. Breagh:** How could he appear in front of the council and be seen by the council to be other than what he really is?

**Hon. Mr. Bennett:** Does that mean that at a private citizens' committee he cannot express an opinion because he is an employee of the province?

**Mr. Breagh:** Yes, like a judge.

**Mr. Epp:** If it had been his own development or something, somehow or other you would say, "Maybe he had to appear because it was his own development." This was a friend of his. He was coming and you cannot separate the fact that he was a member of the Niagara Escarpment Commission.

**Hon. Mr. Bennett:** I would not deny that.

**Mr. Epp:** People would perceive him as that, just as you cannot appear some place all of a sudden and have people say: "Look, he is Claude Bennett from Ottawa. He is a private citizen." They still see you as the Minister of Municipal Affairs and Housing.

**Mr. Breagh:** I think we need to pursue this just a bit to get away from this one instance and to try to find some parallel situation. It is hard to find exact parallels because there are not a lot of things around like the Niagara Escarpment Commission.

For example, if the chairman of my conservation authority walked into my council, sat down and said, "I think this is a real good development and you ought to proceed with that," I think that is wrong. I think there are ways of getting comments from the conservation authority which are pretty clearly established now. I would think

a council would look at that and say, "That is not a proper thing for that person to do."

In many respects that individual is required to chair a commission, an authority, whatever, which passes judgement on things like development projects. Whether or not it is a full-time or part-time job, if you want to chair something like that which makes comments, regulates or has something judgemental about what it does, then in accepting that position you have to forgo the right as an ordinary citizen to appear in front of a council. You cannot be Joe Public walking in there; whether you attempt to do it overtly or not, you bring with you some measure of a regulatory agency.

10:50 a.m.

I am not saying that in this instance a whole lot of wrong things happened. I am saying that there ought to be some thought given to providing guidelines for people who are in a position like Mr. Masson's regarding appearances before a board, agency or council. I do not think they should be there.

**Mr. Epp:** As I said earlier, I think that, particularly in view of the fact that the Legislature passed the conflict of interest legislation for municipalities, we tried to line all that up. Yet we have appointees by the province who might be very able but who are trying to use their positions.

I am not commenting on the individual's ability and so forth, but he obviously knew his position with the escarpment. He had a hearing in February 1983 regarding that identical area, and appeared on that board; then all of a sudden in April he appeared before council. You cannot expect council to separate the two, his position with the escarpment commission and—

**Hon. Mr. Bennett:** You do not give council as much credit as I do.

**Mr. Breagh:** The problem is not the council. When someone is appointed chairman of something like the escarpment commission, with that appointment comes some loss of what an ordinary citizen has in terms of the right to go to a council, board or agency to make a pitch for something. You pick up some additional responsibility, which means there are things you cannot do.

You cannot say that when Allan Masson appeared before the council, he was not seen by the council to be there as someone who was in an important position appointed by the government, a position entailing considerable regu-

latory power. You really cannot make that argument.

**Hon. Mr. Bennett:** I have no further comment.

**Mr. McClellan:** Mr. Chairman, I have one or two questions about the analysis and planning program of the ministry.

I am new to this assignment; so it would be helpful if I could obtain from the ministry a list of reports and studies that this branch has published over the course of the last fiscal year.

**Hon. Mr. Bennett:** They are in the bookstore. Most of them are in the bookstore.

**Mr. McClellan:** Well, I would rather not trot over to the bookstore. I think it is normal courtesy that—

**Hon. Mr. Bennett:** You should get a list that tells you about all the great things we have in that government bookstore.

**Mr. McClellan:** It is a normal courtesy—

**Hon. Mr. Bennett:** I will try to get you a list of what has been, or is; both.

**Mr. McClellan:** Has this ministry undertaken any program evaluations of the Ontario rental construction loan program?

**Hon. Mr. Bennett:** That does not come under this vote, unless you want to get into it—

**Mr. McClellan:** No. I am quite happy.

**Hon. Mr. Bennett:** I just think that if we move on to it when we come into the—

**Mr. McClellan:** I am quite happy to do that. Is the director of the program here?

**Hon. Mr. Bennett:** Of the ORCL program?

**Mr. McClellan:** No; of the analysis and planning branch.

**Hon. Mr. Bennett:** Yes.

**Mr. McClellan:** Could you identify him?

**Hon. Mr. Bennett:** Right here. Nick Kristoffy.

**Mr. McClellan:** Thank you. That is all.

**Hon. Mr. Bennett:** Ross McClellan, Nick.

Vote 2401 agreed to.

On vote 2402, community planning program:

**Hon. Mr. Bennett:** I just have a few short opening remarks on this, Mr. Chairman.

In community planning, 1983 has seen the continued strengthening of relationships with all of our clients—municipalities, developers and the public—through the improvement of a number of programs and procedures. In particular, I would like to highlight two initiatives which demonstrate the approaches we are taking.

You are all aware of the fact that the revised Planning Act was proclaimed on August 1, 1983.

I doubt very much that I need to comment on the amount of input we had before making changes to the act, but I am pleased with the results of this example of collaboration among the many and diverse groups that are affected by land use planning in Ontario.

I am also pleased with our efforts to inform all affected parties of the legislation once it was enacted. These efforts have been directed not just at the municipalities and other people directly involved but also at the general public. I believe it is a significant indication of the public's interest that we received more than 20,000 responses to a six-week print campaign inviting readers to send in for an explanatory booklet on the act.

It is particularly important that this legislation was also widely discussed and reviewed, because one of its most significant features is the structure it provides for clearly defining each party's role in the planning process. Some of my staff are working now on policy statements and guidelines which will define provincial interests and requirements in the land use planning process.

Others are working with municipalities as they develop the administrative and policy frameworks which will allow them to assume increased responsibility for planning. Before too long, we will have a planning process in place which protects the interests of the province and the public while enabling municipal governments to make decisions which directly affect their individual futures.

Another initiative that community planning has undertaken is the development of Pride, a comprehensive package of programs for the renewal and redevelopment of existing communities. In part, this is also related to the new act because of provisions which require municipalities to develop policies on community renewal in the official plan. It is also a recognition that programs should be available to help municipalities implement those policies as comprehensively as possible.

I believe we have made a commitment to the future of Ontario communities by providing for ongoing support of neighbourhood improvement through a reaffirmation of the Ontario neighbourhood improvement program and by developing a new program for commercial areas, the commercial area improvement program. This initiative, which is available to all communities regardless of size, provides financial assistance for a range of improvements to commercial areas, while the decisions on what

improvements to make are left largely in their hands.

Again, I feel this action should strengthen the municipal role while ensuring that provincial and public goals are met. I am particularly pleased that we were able to take these measures in this constraint climate by re-evaluating our programs and priorities to make the most effective use of our financial resources.

I have with me Mr. Bain, who can give us a quick runthrough on the Planning Act and what has happened to date as well as on one requirement that we are going to be introducing in the House tomorrow; that is, to extend the transitional period of some aspects of the Planning Act because Peterborough and one or two other communities have run into some problems. I hope we can get the co-operation of the critics.

Second, and just as important at this time, Peter Boles is with us. He can go through with us some of the things relating to the Pride program. As I said in my remarks here and yesterday, I think the Pride program offers a better opportunity today for the redevelopment of commercial areas, and sectors of commercial areas, than what we did under the downtown revitalization program.

If it is your wish, Mr. Chairman, and that of the committee, I would ask Mr. Bain if he would take five or so minutes with his presentation.

**Mr. Breaugh:** I just want to get it clear. I had some talks with David Rotenberg yesterday. Are you intending to bring forward legislation which would resolve the dispute in Peterborough, where they are caught?

**Hon. Mr. Bennett:** Yes, it is to extend the transitional period. I do not have the information here with me. I did have it earlier. I guess I left it on my desk.

The period of time that was allowed within the Planning Act cannot be achieved. In other words, things that have proceeded, such as a bylaw from the municipality that has not had a reading, are in trouble. It could very well be, when the termination date comes, that they will virtually have to go back and start over.

If we give them this termination date, the municipality has the option either to continue under the old act until it is completed or, on their own initiative, to do it under the current and new Planning Act.

**Mr. Breaugh:** That should resolve the dispute in Peterborough.

**Hon. Mr. Bennett:** The way it has been worded, with the legal advice I have had, I believe it should resolve the problem. I will be introducing that tomorrow. I think we can get it finished before we leave these premises some time in December.

**Mr. Breaugh:** Oh, you are planning on December?

**Hon. Mr. Bennett:** I just had an idea that there were others who thought they would like to celebrate some event that comes in the latter part of this month.

11 a.m.

**Mr. Chairman:** Mr. Bain?

**Mr. Bain:** Mr. Chairman, this will involve a short summary of the highlights of the new Planning Act, of what the new act contains. As the minister said, it came into force on August 1 and is now being used by all municipalities across the province.

Part I of the new act deals with provincial administration, and for the first time the province's interests in municipal planning are set out. These interests include the protection of the natural environment, including agricultural lands, the protection of significant natural or heritage features, the efficient use and conservation of energy, the provision of major communication and transportation facilities, and the equitable distribution of educational and other social facilities. The minister must have regard to these interests in carrying out his responsibilities under the act.

One of the most important changes enables the cabinet to issue policy statements on specific planning matters of provincial interest. One of our first priorities will be to put the present food land guidelines into the form of a policy statement. Other statements will deal with reducing the effects of flooding and the protection of mineral aggregates.

Under the new act, it will again be possible for the minister to delegate a certain part of his authority to qualifying councils. It is our intention to increase this delegation beyond the regional municipalities that have such authority at present, and this will include counties and cities outside of regions, upon request.

Part II of the new act deals with local planning administration. The act terminates all planning boards in southern Ontario. All planning authority, except for the granting of minor variances, rests with municipal councils. How-

ever, council may appoint a planning advisory committee composed of elected or nonelected persons to assist it on any planning matter, if it wishes.

In northern Ontario, the existing system of planning boards has been retained in the absence of an upper tier or of local government such as counties to address area-wide concerns.

Even though joint planning boards are abolished, existing joint plans can be continued, by minister's order, where municipalities involved want this. A joint plan can be divided into parts, each part becoming a plan of the municipality it covers, or it can become part of a county plan, depending on what is worked out with the local municipalities.

Part III of the new act deals with official plans and amendments. First, a new definition states that while the main purpose of an official plan is to guide a municipality's physical development, regard should be had to social, economic and environmental matters.

Council is now directly responsible for preparing an official plan. Also, before adopting an official plan or amendment, council must hold a public meeting after at least 30 days of advance notice to residents. However, to provide some flexibility, a municipality can prepare its own public involvement procedures, which must be included in its official plan.

Where an official plan, or any part of it, is referred to the Ontario Municipal Board, the minister may declare a matter to be of provincial interest. When this occurs, the board will hear the matter and make a decision, as usual, but the decision will not be final until confirmed by cabinet.

Some other changes should also be mentioned. The minister may ask a municipality to amend its official plan to conform with a provincial policy statement or make the amendment himself if the municipality fails to do so. If such an amendment is referred to the municipal board, the board's decision must be confirmed by cabinet.

Council must hold a public meeting at least once every five years to consider the need for revising its official plan and bringing it up to date. Local planning documents must be brought into conformity with upper-tier plans within one year.

Part IV of the new act deals with community improvement. You are going to hear more from Peter Boles on this section of the act in just a few minutes. The ministry's Pride program shows our continuing interest in this area and com-

plements the new act's objectives of placing community initiatives on a firm community planning basis.

Part V of the act deals mainly with land use controls. The basic zoning provisions remain the same, but the preparation and approval procedures for zoning bylaws have been made more consistent with those for official plans by requiring public meetings after 30 days' advance notice and by providing for the possibility of a declaration of a provincial interest upon referral to the Ontario Municipal Board.

The new legislation provides for three special-purpose zoning bylaws: holding bylaws, bonus bylaws and temporary use bylaws. They are all subject to the same procedures as normal zoning bylaws, but before passing holding and bonus bylaws, municipalities must have an official plan with policies setting out how they will be used.

The act also allows municipalities to pass bylaws dealing with interim control, site plan control and park land dedication.

Some of the site plan control provisions enabling the specific siting of buildings and the location of other facilities have also been revised.

First of all, to use site plan control, the actual area of control must be shown or described in the official plan. This means municipalities now using this process must prepare official plan amendments to continue exercising it. To give municipalities time to amend their plans, this section—section 40 of the new act—has not yet been proclaimed, and we do not anticipate recommending that it be proclaimed until the middle of 1984, probably August 1, 1984.

Second, to obtain a highway widening as a condition of site plan approval, the municipality must show or describe the extent of the proposed widening in its official plan. Upper-tier municipalities can also require highway widenings and related facilities as a condition of site plan approval where land abuts an upper-tier road.

Part VI of the act deals with the subdivision of land. The system is basically unchanged, although some important amendments have been made.

When approving a draft plan of subdivision, regard must now be had to the matters of provincial interest stated in section 2 of the act. The effect of the physical layout of the plan on energy conservation must also be considered.

In addition, the minister or a delegated approving authority may inform the applicant that it intends to refuse the plan. When this happens, the written notice of this, with reasons, must be given. The applicant then has 60 days to ask for

a referral to the Ontario Municipal Board. If a referral request is not made, the refusal automatically comes into effect.

Like plans of subdivision, the consent process itself has not really been altered. The real change is in where responsibility lies.

Rather than being assigned to a land division committee, or a committee of adjustment as it was under the old act, this responsibility now rests directly with the councils of counties, regional municipalities, cities outside regions and separated towns.

In turn, these councils may delegate the authority to a committee of council and appoint an official, a committee of adjustment or a land division committee if they want to or, in the case of the council of a region or a county, to a local municipality, with the minister's approval.

**11:10 a.m.**

The last part of the act draws together the sections that apply to the planning system in general. A new section states that a council must give persons an opportunity to be heard in carrying out its planning responsibilities and that, in doing so, the council is performing a legislative and not a judicial function. Concern had been expressed that municipalities would be forced to act judicially when holding meetings; so there is hope that this new provision will remove any doubt about the matter.

Another new section makes clear that all of Ontario Hydro's land and buildings used for executive, administrative and retail purposes, whether leased from Hydro, are subject to the Planning Act. Also, any other Hydro undertaking is subject to the Planning Act unless it has been approved under the Environmental Assessment Act.

All petitions to cabinet on planning matters have been discontinued. Instead, as previously indicated, the minister will be able to define matters of provincial interest in advance, and the cabinet will confirm or vary the Ontario Municipal Board's decision on that.

The power to impose fines for the contravention of municipal bylaws has been moved from the Municipal Act to the Planning Act, and the penalties will be much higher than in the past. Municipalities may now charge fees for processing a planning application, but these fees must be set out in a municipal bylaw which is subject to appeal to the municipal board.

Finally, some transitional provisions allow for the new act to come into effect as smoothly as possible. All currently approved municipal planning documents, of course, have been allowed

to remain in force. Where joint plans continue to enjoy local support, provision has been made for the minister, by order, to allow for their continuation.

To enable decisions to be made smoothly on any planning matter, a special section indicates when such a matter is deemed to have started and must continue under the old act.

The new act is really a case of something old and something new. Provisions and processes that have worked well have been retained or modified to make them more effective, and new provisions have been added only when it has been felt necessary.

**Mr. Chairman:** I have several questions. Mr. Epp, do you have questions?

**Mr. Epp:** I am going to ask Mr. Bain how he feels the time limit for notices has been working out. I realize the act has not been in force that long, but how have municipalities reacted to the 30-day time limit for notices? Does that work out fairly well?

**Mr. Bain:** Do you mean the 30-day advance notice?

**Mr. Epp:** Yes.

**Mr. Bain:** Generally, it has been well accepted by municipalities. Even under the old act, a lot of municipalities did carry out a consultation process before they enacted a zoning bylaw and, in fact, did have a meeting, usually held by the planning board. Now that has been enshrined in legislation and it is required.

A few municipalities have said they feel the 30-day period is too long. Fortunately, we built in a provision in the act which, in effect, allows a municipality to develop alternative procedures if it believes the 30-day requirement—that full process—is longer than it feels is required in that municipality.

Section 17 contains specific provisions for a municipality to develop alternative procedures. An alternative procedure might be to reduce that 30-day requirement to, say, 21 days or 18 days, and to provide for some form of consultation. Some municipalities may have come in with draft amendments—which we are discussing with them—which provide, say, for a 21-day notice and open houses to be held in municipal offices on what they are going to be proposing.

This would be an alternative process which, when approved by the minister as an official plan amendment, would become law and would replace what is required in the act itself. That provides a good deal of flexibility. There is a lot of discussion going on with certain municipali-

ties now about preparing official plan amendments to do that. Generally, I would say it is going pretty well.

**Mr. Epp:** Has the act been generally accepted across the province by the municipalities, by the developers and so forth? Are any major problems developing?

**Mr. Bain:** Not that I know of yet, sir, and I hope there will not be any. Certainly, however, there have not been any at this point.

**Hon. Mr. Bennett:** Other than just one problem that I am going to try to correct.

**Mr. Epp:** Peterborough.

**Hon. Mr. Bennett:** Yes. Peterborough is just the start of it. I think there are one or two others that might have the same difficulty and have not yet recognized it.

**Mr. Bain:** I think the minister has said publicly on more than one occasion that you cannot bring a totally new act such as this one into force without there being some problems which develop. We hope that if there are problems, they will be relatively minor. There probably will be adjustments which will have to be made as we get more experience with it, but we are reasonably confident there will not be anything major.

**Mr. Chairman:** Herb, are you finished?

**Mr. Epp:** That is fine for now.

**Mr. McClellan:** I have just one question on the Planning Act. In the presentation, we were told that one of the functions of the new Planning Act was to provide for the equitable distribution of social facilities.

When we were going through the clause-by-clause of the Planning Act, I tried to move some amendments that dealt with the powers municipalities have to pass discriminatory zoning bylaws to eliminate group home facilities from their precious preserves. We were assured that it was not necessary when we passed the new Planning Act.

One of the minister's very first acts, once the new Planning Act was promulgated, would put forward a policy statement with respect to the equitable distribution of group homes. Has that policy statement been issued?

**Hon. Mr. Bennett:** No.

**Mr. McClellan:** Is it in preparation?

**Hon. Mr. Bennett:** It is in preparation, along with two or three others.

**Mr. McClellan:** Could we have some idea of when you foresee it coming forward?

**Hon. Mr. Bennett:** No. I do not think I want to put myself in a position of time. We are working on it. Obviously, some of the things we are going to do will not be entirely at my say-so; there will have to be some negotiations with other groups. There is not much sense in us introducing some policy issues and finding out that we have war declared at the municipal level or at some other level.

I will try to find a degree of acceptance when we are dealing with this or other land use policies, rather than getting into a full-scale war. If we cannot have the co-operation of municipalities, and reason and rationalization at that level, we are going to be in a difficult position all the way. I am not sure that my forcing municipalities creates the atmosphere under which we would want to establish some of the facilities.

We are working on it. I would hope, within a reasonable period of time in 1984, that we would come forward with at least one or two, if not more. We did say that we do not intend to have policy issues the size of a dictionary.

**Mr. McClellan:** Sure. I understand that. I agree. If you are in the process of negotiation, there will be some tradeoffs and some sawoffs. I can understand some objections that community people would raise but, for the life of me, I cannot understand—

**Hon. Mr. Bennett:** You have read the newspapers of recent date?

**Mr. McClellan:** Sure. But I do not understand why any municipality anywhere in this province has the right to pass a discriminatory zoning bylaw to exclude a group home for developmentally handicapped people, for example, or for children. I just do not understand that.

I see that as a fundamental violation of human rights. I know that members of the cabinet share that view. They have expressed it in estimates over the course of the years. Other parts of the issue are obviously more controversial.

11:20 a.m.

Frank Drea has put himself out on the line with respect to the rights of ex-convicts to have access to community living, and I support him in that. I hope the rest of his colleagues support him in that as well. We will wait and see.

However, number one, I hope the tradeoffs are not too severe. Number two, I hope the policy document comes forward quickly, because I am sure you are aware that there are projects for mentally retarded people and members of disadvantaged groups. There are ex-psychiatric patients, who have not committed any crime

except to fall victim to an illness, who are being discriminated against in programs designed to provide facilities for them which are being held up, appealed to the municipal board, subverted, thwarted and delayed, oftentimes for many years.

My own municipality, as it is in the city of Toronto, has assumed its responsibility. Your colleague Susan Fish was instrumental in getting our group home zoning bylaw passed. I regard it as an excellent and workable model. It really works well in our community, at any rate.

**Hon. Mr. Bennett:** You will recall, when I took the initiative as the minister to approve certain things in the Metro plan, the fireworks factory started to go off some days later. I have lived with it.

**Mr. McClellan:** Sure. Sometimes you just have to say to them, "Look, human rights are human rights."

**Hon. Mr. Bennett:** Some of my Tory friends wanted to take me to court. I guess they have a few lawyer friends who are not occupied at the moment; so it might give them something to do.

**Mr. McClellan:** At any rate, I can assure you that we support strong provincial initiatives in this area, and we look forward to the policy statement. We were pleased to see the policy statement provision in the Planning Act. It actually has more teeth in it than I would have thought you would have given it. I am doubly pleased to see that.

**Mr. Chairman:** I recall the concern expressed through those years.

**Mr. McClellan:** Yes. We will look forward with anticipation to that and see whether you have the courage of your convictions.

**Mr. Watson:** Minister, this vote, as I understand it, is one dealing with downtown redevelopment.

**Hon. Mr. Bennett:** We were dealing with the Planning Act first, and in the next phase of this vote, we are dealing with two sections of the Act. The first section is regarding the Planning Act in all its aspects and what has happened since August; it also deals with what happened prior to August, but what has happened since August is more important, since it has been given royal assent.

**Mr. Watson:** I will defer, then.

**Mr. Chairman:** We will stick to the Planning Act particularly, then. Mr. Wiseman?

**Mr. Wiseman:** Mr. Chairman, I was just wondering about the new Planning Act versus

the old one for my own riding. Perhaps I should have read this through, but I did not.

Can you tell me, Mr. Bain, taking the old one and adding in what you have put in here, whether it is a very big job? Our people just put their planning act together not too long ago. Are you assisting them with financing as well as some expertise from your office to help them to put through another one?

**Mr. Bain:** An official plan?

**Mr. Wiseman:** Yes, an official plan. A lot of the townships got some assistance. They put in some, and you put in some under the old act. Are you doing the same thing with the new act?

**Mr. Bain:** Yes. Under the new act, the same policy is being followed of providing funds to local municipalities to prepare the different plans and zoning bylaws and to carry out planning studies of various kinds.

Municipalities that had an official plan and a zoning bylaw under the old act do not suddenly find that those plans and bylaws are no longer in force. The new act provides that those plans will continue to be in force so that they will not have to do them over again. They will just carry on from that point of view as if there were no new act.

**Mr. Wiseman:** And update it to the new one?

**Mr. Bain:** No. An official plan is an official plan. They would have to update only in the sense that they wanted to use, say, the site plan control provisions. There are special provisions in the zoning bylaw which operate in conjunction with the zoning bylaw. If a municipality wanted to avail itself of that, it would have to prepare special policies for inclusion in the plan. If it wanted to do that and to carry out those special studies, it would be able to get financial assistance from the ministry.

**Mr. Wiseman:** Mr. Epp mentioned public participation—

**Mr. Chairman:** Mr. Wiseman, Mr. Farrow had some comments.

**Hon. Mr. Bennett:** I think it would be better if we direct it to the assistant deputy minister.

**Mr. Farrow:** I think Mr. Bain gave most of the answer. Basically, those official plans that are in effect are going to stay in effect. The new ones are basically up to date. We may assist them with some minor changes. Usually it is not financial assistance, though in some cases it may be. Normally, it is technical assistance.

**Mr. Wiseman:** The public participation; what happens if they want to change this? Before, it

was ads in the paper to say that it was a zoning change and one thing and another. Some people in my riding were telling me they were unaware that this was happening.

Is it still just advertisements in one or two issues of the local paper? Are the people who are going to be affected in that immediate area given a letter?

**Mr. Farrow:** There have been in the past and will continue to be various ways in which you can give notice of changes in official plans or zoning bylaws. The board had certain means by which they advised municipalities when they were approving bylaws.

We now have some basic ones spelled out in the Planning Act. But as Mr. Bain pointed out, if a municipality enacts an official plan spelling out alternative forms of notice and we approve it, then they can go to alternative forms, but it varies. If it involves just some very minor thing in the area, it could be notice to the people concerned.

If it is something major, you would not want to have to send out a letter to everyone in the city of Toronto. There are other means of getting it out—in the newspaper or whatever. It will vary.

**Mr. Wiseman:** In the past, processing applications for a subdivision has been slower than molasses in January. Will this speed it up? Have you had a chance to see some improvement?

These costs get back to the little person who is buying the house. All the costs the developer has up until that time were probably added on with interest and the whole bit—they have to be in business transactions.

**Mr. Farrow:** We hope that some of the procedures we put in here will speed it up. We hope that by some of the policy statements, the developers and the municipalities will know in advance what the provincial concerns are that they might not have known of before. On that basis, we hope it will be speeded up.

There is a provision for delegating subdivision approval to more agencies than there were. We work on the basis that the more we can get out to the regions, counties and the local municipalities the better. As municipalities can show themselves capable of doing the job, we will give it to them.

One criterion we have is that they can do it as fast or faster than we can. We see over time that it will speed up the whole process.

**Mr. Wiseman:** In the presentation, there was a time limit of 60 days in which you could turn

down an application. Then after 60 days, the developer—as I understood it; we went over it very fast—had 60 days to appeal it. After that, the decision held or—

**Mr. Farrow:** That is what we have in the act now.

**Mr. Wiseman:** To get him up to that point, it sometimes costs a lot of money for plans and one thing and another. Could there be a kind of preliminary so the developer would not say, "You put me to a whole lot of expense and then you tell me you are not going to approve it"? Can we tell him fairly early in the process that—

**Mr. Farrow:** Yes. Normally, if an application for a subdivision conforms to the official plan, he knows he has a pretty good shot at it. If it does not conform to the official plan, or in some municipalities that do not have it—there are very few with no official plans—he knows he has a real battle. It is still possible to amend the official plan and then approve the subdivision.

If it conforms to an official plan, it would be technical matters that would be at fault. It could be that his specific land might be nonserviceable, or it could be declared premature because certain things are not available. If it does conform to the official plan, he knows he has a pretty good shot of it going ahead.

**Mr. Wiseman:** The other part that worries me a little are the fees charged by the municipalities. Have you had any experience yet on what they charge to process these?

**Mr. Farrow:** I cannot give you any examples as to what—

**Mr. Wiseman:** On the time frame; are they moving along faster on those than in handling it for Toronto in the past? On the cost, what figures into the cost? There are ads in the paper, their lawyers or whatever—

11:30 a.m.

**Mr. Farrow:** Yes, there can be, but as Mr. Bain pointed out, they have to spell out the fee schedule in a bylaw and, if somebody does not agree with it, they may take it to the Ontario Municipal Board.

In the past, most municipalities—not all, but most—normally have charged fees for amending an official plan, for amending a zoning bylaw, and some for processing a subdivision. Then we say that they have to be able to justify the municipal costs which are going into these proposals or these considerations of an application. The costs are chargeable, but must be spelled out in advance.

**Mr. Watson:** Again, the part I was worrying about involves the person who eventually has to buy that lot and put a house on it. It just looks like more costs added to it, where their provincial dollars were probably paying for it before.

**Mr. Farrow:** It was not provincial dollars paying for it. The municipalities have been processing applications all along. Official plan amendments and zoning bylaws have been processed locally, and the official plan has to go up for approval.

**Mr. Wiseman:** Has there been a charge?

**Mr. Farrow:** Yes, there has been a charge in many municipalities.

**Mr. Wiseman:** I guess there had not been down home.

**Mr. Farrow:** No, a lot of the smaller municipalities do not have a charge. However, the more sophisticated—if I can use that term—and larger municipalities have been charging fees for processing official plans and zoning bylaw applications.

**Mr. Wiseman:** There is one other part on the land division committee: does that mean in counties like Lanark, where you want to do away with the land division committee and have council make those decisions themselves? I know it can be turned over to the land division committee, but—

**Mr. Farrow:** The ministry is taking the view that the government should not tell the county who should do the work. We give them various options. Mr. Bain went through those options: the county itself; a land division committee; individual people within the administration; or, with the ministry's approval, individual municipalities.

We have had all of these things happen. However, we feel it is not a matter in which the government should be dictating the only way in which it can be handled.

**Mr. Wiseman:** What has been your experience to date? Are they getting rid of the land division committees?

**Mr. Farrow:** Some of them have been keeping them; some of them have been getting rid of them. I think most of them have been keeping them. I think, by and large, people are keeping them.

**Mr. Bain:** About 75 per cent of them have been keeping them.

**Mr. Farrow:** Those that have been doing a good job have been kept. Some of them may not have been satisfying the local politicians in one

way or another and they have been deciding that it should happen somewhere else.

**Mr. Wiseman:** One other point you mentioned was that of the hydro lines, and the fact that you would now be taking more interest in those.

In Lanark and some of the other counties down there we have five proposed hydro lines. Just so I have an idea of what your involvement will be, could you just elaborate a little more on what you see your ministry doing, along with Ontario Hydro and all the other concerned people at the hearings, so the local member knows a little bit about it?

Down my way, if you tell them that they are all going away I would be happy, but they are not. However, what involvement do you see your ministry taking?

**Mr. Farrow:** Could you very briefly just outline the new provisions of the act with regard to hydro?

**Mr. Bain:** The new act says that hydro proposals are subject to the Planning Act. That means they would be subject to local bylaws and official plans, unless that proposal—let us say it is for a 500-kilovolt line, a big, main line—is approved under the Environmental Assessment Act. If it is subject to approval under the Environmental Assessment Act, it does not come under the Planning Act.

The reason for this was simply that the Environmental Assessment Act process involves a full public hearing process.

**Mr. Wiseman:** So the big ones you are talking about would not come before you, because they all come under the Environmental Assessment Act, as I understand it. Therefore we would be talking about just the small ones?

**Mr. Bain:** That is right.

**Mr. Breaugh:** Could I interject just for a moment? If that goes through, would they be given an exemption under the Environmental Assessment Act?

**Mr. Bain:** No.

**Mr. Breaugh:** So if they are given an exemption under the Environmental Assessment Act now, they would have to conform to the Planning Act?

**Mr. Bain:** That is right.

**Mr. Breaugh:** Oh, a major breakthrough here.

**Mr. Bain:** They must be given approval under the Environmental Assessment Act.

**Mr. Breaugh:** Now the next step will see if we can muster enough forces to actually control

Ontario Hydro. That will be a first in Ontario's history.

**Mr. Chairman:** Under the Planning Act?

**Mr. Breagh:** Perhaps we will have to get a cemetery for all those bodies who have tried to control Ontario Hydro, and make it an historic site.

**Mr. Bain:** I was just going to say that since the deputy minister of the Premier's office is soon to become the chairman of Hydro, maybe he will want to respond to that.

**Mr. Wiseman:** Just to clear one thing up, so I know, could you give me an example of a reasonable fee for a municipality my size? Have you had any? Do you know what they are charging now for processing these applications?

**Mr. Farrow:** I think, Mr. Wiseman, the best way would be for us to give you some examples. I do not have them here, but they range from pretty low figures to some relatively high figures.

**Mr. Wiseman:** It is the high ones I worry about.

**Mr. Farrow:** We could give you some representative figures that we have from various areas. We have not compiled anything on it yet because they are just on the way in. We do not have a lot of them, but we do have some. We could give you or anyone else who was interested, representative costs of what people are charging.

**Mr. Wiseman:** Have you had to tell anyone that he is a little high?

**Mr. Bain:** We should point out, I guess, that these bylaws are not subject to our approval. We only see them when a municipality happens to send one in for information purposes. The municipality is entirely on its own in passing the bylaw, but it is subject to approval or subject to appeal to the board if some local person objects. Otherwise, we do not see them.

**Mr. Wiseman:** The only thing I was worrying about is that somebody might say: "It was previously done by Toronto and now it is being done by the municipality and it is an extra charge to us. It could be dollars I am paying."

**Mr. Breagh:** I just had a couple of points I wanted to explore a bit, as someone who has worked with the planning process in Ontario for longer than I care to remember now. The system seems to me to work reasonably well in certain things and not very well in others.

At the local level, the planning exercise is a useful exercise in preparing official plans and local planning areas and designating bylaws,

things like that. Under the new Planning Act, I would say it will be enhanced. But a couple of areas remain where I am not very happy about the process, one of which has to do with attempts by various municipalities to use the Planning Act in a way that I am sure they know when they are doing it is not going to work.

One thing that springs to mind, for example, is a municipality passing under the Planning Act a zoning bylaw regulating pinball parlours. They know that is not really a planning matter. They know when these zoning bylaws get challenged in the courts they are going to lose. Yet they persist.

In Oshawa, for example, the planning exercise was to designate four licensed establishments as being appropriate places to have strip joints, one of which did not want to have a strip joint and told them, but they designated them anyway. That is going to be challenged in the courts. Obviously, it is not going to hold up.

Other municipalities have designated areas for pinball parlours. I do not think that is going to hold up either.

Others have talked about attempting to control prostitution by means of zoning bylaws. I rather shakes my head just a touch that we would designate an area for prostitution in certain municipalities.

Of course, in Niagara Falls, Metro Toronto and a number of other centres, municipalities are attempting to explore what devices they have at their disposal that they could use. The first one always seems to be the Planning Act—that in some way you can pass a zoning bylaw.

I guess the perversion I see at work here that exercising their rights under the Planning Act to pass certain bylaws is something a municipality can do in a relatively short time. The process after that is that the bylaw will usually get challenged at the Ontario Municipal Board. The municipality gathers up its lawyers and interested parties on the other side gather up their lawyers; the net effect is a kind of cool stall. In some regards they will be able to stop some strip joints, pinball parlours, whatever, for a brief period.

11:40 a.m.

As the court cases and the OMB decisions roll in, though, it is becoming more and more apparent that the Planning Act is not the act used to regulate that kind of endeavour, but it is still being used. Are we considering any amendments to the Planning Act which might clarify that situation?

As an aside, you may recall that last year we had Bill 11, which would codify and make clear the right of a municipality to regulate businesses of all kinds. That would be one more vehicle, and certainly a more direct one, than the use of the Planning Act. However, that bill kind of withered and blew away.

Could I get some comments about municipalities using the Planning Act? I think that if they were really straightforward about it, they would admit that the Planning Act is not the device to use. However, they do continue to use it because it is really the only apparatus they have.

**Hon. Mr. Bennett:** We have discussed this, and the planners have looked at it.

**Mr. Farrow:** Mr. Breagh, there are some cases when zoning can be used—I mean, if you can define a use of land. Prostitution, I think, is one case where there is not much you can do. You can keep hotels away, and you can keep a few other things away, but you cannot stop what may happen in them.

Perhaps the Planning Act might allow you to control pinball parlours, if they could be defined as a use of land. It is not an absolute thing what you can say they can or cannot do.

If you want to stop them from using certain things in buildings, which would be the normal type of thing to happen, then the Planning Act may be the wrong thing. However, it is very hard to spell out, especially in an act. Perhaps a guideline would be simpler. This is something we are probably going to have to live with.

We advise municipalities on things we do not think they should be using the act for. They say: Some of the things you have mentioned are not absolutely cut and dried. Obviously, either you can or you cannot."

We have had some discussions on these things, but we feel that if a municipality can define something as a use of land—and this is where the courts have to make a ruling—then the Planning Act can be used.

**Mr. Breagh:** In a number of disputes that are currently under way, it is pretty clear that we are not talking about planning for land use. We are talking about something else.

When a municipality designates certain areas in the community where legitimate land use means being able to run a licensed establishment with strippers, and the hotel is already there, and other hotels are already there, you have a hard time convincing me that it has anything to do with land use. Yet they continue to pass zoning bylaws which do that.

It gets really nifty when they pass a zoning bylaw that says, "In the future you cannot do that, but if you are already in business there now, there is not very much we can do, because that is a legal nonconforming use under the new bylaw."

The thing I find a little frustrating about it is that we all know what is going to happen here. The lawyers are going to gather up their papers and go off to the OMB or off to court. We know what the decision is going to be. It is going to be a coolie stall for a year or 18 months or something like that.

Nothing productive is going to happen from this, so why are we still doing it? Are we just admitting it is an area where we cannot come up with any resolution to the problem?

**Hon. Mr. Bennett:** I guess we can come up with a resolution to the problem with a thing known as licensing. You know the problems we get into when we get into licensing.

**Mr. Breagh:** I thought we had finally solved all that. I seem to recall you introducing it.

**Hon. Mr. Bennett:** I know I did. I thought I had a lot of people on side from all political jurisdictions and all of a sudden they were falling all over us.

**Mr. Breagh:** I think you were infiltrated.

**Mr. Epp:** So was the Canadian Manufacturers' Association.

**Hon. Mr. Bennett:** That was not the worst. There were the boards of trade from one end of the province to the other that came down like a ton of bricks. That is living proof of the fact that somebody went out on a hobby horse because of their full awareness of the bill and what it meant.

I blame the municipalities to some extent, because they did not do their homework properly. All of a sudden, everybody got so far down the road that they did not know how to turn around and come back.

I found in a lot of cases that they did not even want to be realistic. We might have saved them some degree of face by having taken the bill away. Some day when the municipalities do their homework through the Association of Municipalities of Ontario and others and get a better appreciation of what the community wants, they will be back.

I remember one organization that had a meeting out on the airport strip; they had 3,000 subagents. Somebody got up on a Sunday and spoke about the bill and had about as much knowledge of it as somebody who had never been in this Legislature and had never seen the

bill. Within the next few days, we had thousands and thousands of phone calls to the point that the ministry had to put in extra phones and bring on staff to answer the lines.

**Mr. Epp:** You have to be kidding.

**Hon. Mr. Bennett:** I am not kidding. You would not believe the havoc it played with the whole ministry for a day.

**Mr. Epp:** One thing was that they were suggesting the bill was going to do things which municipalities had the right to do for years. This was the whole problem.

**Mr. Breaugh:** The really objectionable part to that process was that we had gathered up what I admit was kind of a bureaucrat's dream in terms of legislation. But the framework was there; the consensus was there. We began the process of normal legislation, debating in the Legislature. We took it outside to committee. I think we heard the legitimate concerns that were to be heard.

We were kind of two thirds of the way through the process when there was this hidden revolt—although from your point of view it was not so hidden—and the legislation just disappeared; it was long gone.

It is not illegal or unfair for a group out there to kind of lobby on behalf of its people. It did strike me that we would go through a very messy exercise for a lengthy period because we were unable to proceed with legislation that I think anybody who worked in the field knows has to happen at some point.

**Hon. Mr. Bennett:** I have no argument with that. I only want to say in relation to your comment about the bureaucrat's dream, just remember that it only becomes a bureaucrat's dream provided the municipalities want to enact it.

**Mr. Breaugh:** That is right. At the very least, we had it under our nose.

**Hon. Mr. Bennett:** You and I know the municipal level would never have done that.

**Mr. Breaugh:** Yes.

**Hon. Mr. Bennett:** Would we, Herb?

**Mr. Epp:** Never, never.

**Hon. Mr. Bennett:** Historically, there are a few things you wonder why at the municipal level but never at the provincial level.

**Mr. Chairman:** You said you had two points, Mr. Breaugh. Do you have another point?

**Mr. Breaugh:** The other one that I wanted to

explore a bit was the aspect of the fees that are now being charged under the Planning Act.

One thing that used to drive most of us crazy who worked in the planning process was the atrocious expense that municipalities would run up in processing plans. Trying to recover it is a difficult piece of business. The proposal to allow them to set fee schedules now and to justify it will, I hope, alleviate that somewhat.

The only thing that really bothered me was that in the setting of fees for whatever the planning activity was it was difficult to find a mark in there. You get different types of people coming in front of you, ranging from some individual who wants to get a little piece of property off so that some other member of the family can build a house on it to some developer who is coming in and maybe doing the exact same process but on a much larger scale. Trying to strike a fee schedule that is fair to both parties is not easy.

It used to confound me to no end to know that we went through planning exercises regularly where a developer would come before a committee of council and cause that council a great deal of expenditure and there was very little way to recover that. We tried a variety of technique to recover some costs, but we never got anywhere near our costs. The guy would be making literally millions of dollars, causing substantial amount of public expenditure and there was not very much we could do about it.

I will follow the setting of fees and the regulations there with some interest. I suspect that is going to be a dicey piece of business, though.

11:50 a.m.

**Hon. Mr. Bennett:** Just to comment, fees are always a difficult issue. I have never considered that you are going to recover all your costs when doing an official plan change or a subdivision. The individual project, when it is approved, becomes a very tangible asset for the municipality.

**Mr. Breaugh:** It can be.

**Hon. Mr. Bennett:** Well, usually, it yields better taxes than it did before.

**Mr. Breaugh:** Sure, that is part of the exercise.

**Mr. Chairman:** Are there any other questions on the Planning Act?

**Hon. Mr. Bennett:** If not, could we call Peter Boles to talk to us on the Pride program?

While Peter Boles is getting set up to give us short rundown on the Pride program and possibilities, I want you to keep clearly in mind that this is the Pride program of the Ministry

Municipal Affairs and Housing. It works on the act that people have pride in their community and will improve it.

It does not have anything to do with People to Reduce Impaired Driving Everywhere, which I believe the Attorney General (Mr. McMurtry) wants. Ours has a more local atmosphere.

**Mr. Epp:** It is not being tacked on to the federal program?

**Hon. Mr. Bennett:** I have not found one yet. I will tell you that if Roméo does discover one, I will be pleased to—

**Mr. Epp:** You, as Juliet, will go along.

**Hon. Mr. Bennett:** There has never been a program at the federal level, to the best of my knowledge, other than the community services contribution program, which gave us some. There was never participation in the downtown revitalization program by the federal government; it was entirely provincial and private sector sponsorship. I have never heard them suggest that they were going to try to get into anything of this nature.

**Mr. Epp:** Is this replacing primarily the neighbourhood improvement program?

**Hon. Mr. Bennett:** No; downtown revitalization. Peter will go through it, but one of the secrets of it is—

Interjection.

**Hon. Mr. Bennett:** Yes, I am sorry, but it incorporates the neighbourhood improvement program. The Ontario downtown revitalization program is gone. Neighbourhood improvement is part of the Pride program, but it stays under its own terms of reference.

**Mr. McClellan:** The downtown revitalization program is gone?

**Hon. Mr. Bennett:** Yes. Pride will do things that the Ontario downtown revitalization program would not do. Let me use my own city of Ottawa as an example. There are sections of the city with commercial areas; let us say the Glebe, which is in my riding. The Glebe was not eligible under the downtown revitalization program (1) because of population and (2) because it was not a major shopping area of the city.

Is the Glebe, or a specific commercial area in your community—was it Broadview or another of the communities somewhere east of here? I wanted to get a grant from us, it could not be accommodated under the terms of reference. Now we are allowing virtually any community within a city to get it.

I had John Eakin's group in last week—Lindsay—for example.

**Mr. Epp:** I was going to ask you about that. That was my next question. Was it Victoria-Haliburton, or was it Lindsay itself?

**Hon. Mr. Bennett:** Lindsay.

**Mr. Epp:** Did you accommodate them? They spent a hell of a lot—I should not use that word; they spent a lot of money, \$150,000 or \$200,000, on consultants' fees and so forth.

**Hon. Mr. Bennett:** No, \$45,000 was their whole cost, including their municipal staff.

**Mr. Epp:** All of a sudden, you have pulled the proverbial rug from under them. Did you plug them into this program so they could qualify, or did you keep them under the other one so they could get the money under the other one? What did you do with that one?

**Hon. Mr. Bennett:** They have two problems, or maybe more, in the Lindsay one. In the Lindsay program, first, their commercial component was basically Fidelity Trust. I trust you know where Fidelity Trust is; that was Peter's operation.

Second, they lost their anchor store. They had originally anticipated and contemplated having a Dominion Store. All of a sudden, Dominion was no longer a participant—of their own choice, I gather. Then they were coming in with the Metropolitan store. I can tell you that I do not see the Metropolitan store having the same drawing power as a Dominion store. It will not create the traffic flow that is necessary to make these things viable.

I told the mayor of Lindsay and his council the other day when they were in with John Eakin, the member for Victoria-Haliburton, that I really believe the Pride program is more effective for Lindsay. They will keep Lindsay out of some very substantial financial commitments that, even by the most optimistic projections, could yield them the return they were hoping to get.

**Mr. Epp:** What happens about the kind of investment they made, which you say was less than I thought it was?

**Hon. Mr. Bennett:** It was their figure, not mine.

**Mr. Epp:** Okay. What happens with that kind of investment they made when, all of a sudden, as you say, the program is pulled from under them?

**Hon. Mr. Bennett:** No, it was not pulled from under them. I beg to differ with you. I have

expressed the view, and indeed I have told municipalities and I have said it in the estimates meetings in the past couple of years, that we had a total of \$57 million that was allocated to us by the Treasury for downtown revitalization. When the \$57 million had been either spent or committed, we were out of the business and I was not optimistic about getting any further funding.

Lindsay, for a period of five years, has been on and off and has been in with various proposals. It was not that this was their first run at it; they had been back and forth. I said very clearly last Friday to the mayor, his council, his consultant and others who were with him that there is no money remaining under the Ontario downtown revitalization program. The \$57 million has either been spent or committed. The option now is that one could go in under the Pride program, and we indicated clearly that we were prepared to accept that and to work with them very closely to assist them in going through.

The Pride program has another aspect which the ODRP did not. The Pride program will allow you to phase the development. Instead of coming in and saying we are going to do a grandiose plan, and we know we want to do one, two or three phases, they have the eligibility to apply for each phase of the program as it proceeds, up to a maximum of \$500,000 in any one phase.

**Mr. Epp:** In any one phase; how many phases can they have?

**Hon. Mr. Bennett:** I have never been challenged to look into it, but if you came in and told me you were going to have six phases, I would look at you and say: "I do not believe all the money should go to your community. I think we have to be honest; there are other communities in the province too."

**Mr. Epp:** So you are probably looking at three phases?

**Hon. Mr. Bennett:** Two, maybe three. I am just saying this in a very general sense; I do not want to be held to it. If some very valid programs come along or there is a scheme for some community, particularly one that has had some kind of a disaster hit it, we may accommodate more phases. My preliminary view would be two, maybe three.

**Mr. Epp:** Would you be giving priority to municipalities such as Lindsay and others that, using your words or certainly what appear to be your words, just missed out on the other programs, giving them priority under the new Pride program as opposed to those that might be starting now?

**Hon. Mr. Bennett:** In the case of Lindsay, as a result of the studies and the work they have done already, whatever they might entertain of the Pride program probably would be in the same geographic area as their community; so they are, let us say, many steps ahead of anybody else in coming forward. They are in a priority position, if you take it by the Baskin-Robbins number system.

**Mr. Epp:** I am not familiar with the Baskin-Robbins number system.

**Hon. Mr. Bennett:** Have you not bought an ice cream cone where you take a number when you come in?

**Mr. Epp:** I see; okay.

**Hon. Mr. Bennett:** I did not wish to mean it was an ice cream situation; it was the number program.

**Mr. Epp:** I thought the funds were frozen.

**Hon. Mr. Bennett:** No. Very flavourful; that is what I was trying to say.

**Mr. Epp:** Can we quote you on that?

**Hon. Mr. Bennett:** Certainly you can.

We will be meeting with Lindsay, as I said to the mayor, virtually at their request; I imagine it will be some time in the new year.

**Mr. Epp:** That would be 1984.

**Hon. Mr. Bennett:** In my layman's opinion that would be the new year.

**Mr. Epp:** And not 1999, which is also a new year.

**Hon. Mr. Bennett:** That would be a distant new year.

**12 noon**

**Mr. Chairman:** This may be a dangerous precedent, but Mr. Watson had one question of this and he has to leave.

**Mr. Watson:** I really appreciate that, Mr. Chairman. Chatham has been through downtown redevelopment. From my observation and from the observations of constituents, it has been working well. They say: "Thank God the province helped us and did that. What would downtown Chatham look like today if we did not have it?"

I talked to the manager as recently as about two weeks ago, and he tells me they have had only two or three of the smaller stores change in the last year. There are only a couple of spaces that are available. They camouflage them very nicely with pictures and things, but there are very few blanks left in the mall. It has been extremely well received in Chatham.

If the new program works as well as the old one—and I realize we have had some hot conversations in the past regarding getting it going—it will be well received. But I just wanted to report that, from my observations and those of the people there, we appreciate the downtown mall in Chatham.

**Hon. Mr. Bennett:** Thank you. Before we get into Peter's presentation, I want to say that we have moved away from the megaprojects, the \$10-million, \$20-million, \$22-million, \$24-million things. We are trying to get back to the Guelphs, the Chathams, the Cornwalls, the Sarnias—

**Mr. Epp:** And Brantford?

**Hon. Mr. Bennett:** Brantford? I do not know what is going to happen there, to be honest with you. Those projects gobbled up money as fast as you could believe. We had eight or nine of them, and the \$57 million disappeared in a relatively short time.

We think that the Pride program, as a replacement for ODRP, will open up the opportunity for more municipalities to participate, for smaller municipalities to feel they are being served or for smaller communities within municipalities to feel they are being served.

**Mr. Boles:** Mr. Chairman, the Pride program was introduced in August 1983. It is essentially an umbrella term which includes the Ontario neighbourhood improvement program, the commercial area improvement program—which is a new program—and the business improvement area concept.

Pride is an acronym standing for programs for renewal, improvement and development and, as the minister mentioned, is not to be confused with the other PRIDE program. As a matter of fact, I think our Pride was first.

The presentation you will see this afternoon was prepared, and is being used, to promote Pride and its constituent programs to municipalities.

I hope you are right, Bob, that if we push the envelope in the thing will work.

**Mr. Epp:** What happened?

**Mr. Nykor:** I apologize for this machine. It seems to be disconnected somewhere; I just do not know why. I do apologize. It was working when I tried it previously. There is no button that I can push.

I think I know what has happened. If you can talk with me for two minutes—we had it in upside down. It is my fault.

**Hon. Mr. Bennett:** No smart remarks there.

**Mr. Nykor:** New technologies are sometimes baffling with so many pieces of equipment.

**Mr. Boles:** Mr. Chairman, while Bob is rewinding the tape, perhaps I could give a little bit of factual information on the programs.

As I mentioned, the Pride program contains the Ontario neighbourhood improvement program, the commercial area improvement program, and the business improvement area concept. ONIP has been around for a period of three years now, and essentially replaced the federal-provincial-municipal effort, the community services contribution program, that was cancelled in 1980.

To date, 112 municipalities are participating in the program. The total provincial dollar commitment is \$36 million. ONIP is a 50-50 cost-sharing program with municipalities. As a result, the total investment in neighbourhood improvement would be approximately \$72 million when the 112 municipal projects have been completed.

ONIP's emphasis is to create or provide improvements in older, deteriorating residential neighbourhoods. The emphasis is on improvements to public services, both hard services—streets, roads, sewers, sidewalks—and soft services—community centres, parkland, and so on.

The CAIP program is essentially the new program, as the minister mentioned. In designing that program, we tried to take the best elements of both the Ontario downtown revitalization program and the main street revitalization program. The downtown revitalization program had existed for a period of eight years, and the main street revitalization program for five years.

The program was announced in August. Application forms are available and to date about 60 municipalities have expressed interest in the program to the extent of requesting application forms.

We anticipate that the first allocations under the CAIP program would be announced prior to the end of March 1984, and that there will be \$6 million available for allocation in the first year.

The CAIP program is also a 50-50 cost-sharing program with the municipalities. All municipalities are eligible. This is a change from the previous commercial area improvement programs, which had municipal size restrictions. CAIP provides part of the provincial funding by way of grant. This is a departure from the previous programs, which were loan only.

In addition, the CAIP program provides

assistance to municipalities in terms of improving public services in a commercial area, in improving the aesthetics, the visual quality of commercial areas.

Are you ready to go? Okay, let us go.

The committee viewed an audio-visual presentation at 12:10 p.m.

**12:16 p.m.**

**Mr. Chairman:** Well, it was worth waiting for.

**Hon. Mr. Bennett:** I apologize for our thoughts being one step ahead of our projector.

**Mr. Boles:** Normally when I have run this thing in the past, I have brought along a staff member who knows how to use the machine, who is not Bob Nykor.

I just might mention that the program information, the detailed program guidelines, are available in this resource kit for any members of the committee who may wish to avail themselves of that information.

**Mr. Chairman:** Thank you very much. Mr. Epp?

**Mr. Epp:** How many municipalities currently are asking questions and pursuing the availability of funds through programs for renewal, improvement and development? Did you say 60 people?

**Hon. Mr. Bennett:** We said 60 had asked for applications.

**Mr. Boles:** In the commercial area, the improvement program, we have had a little over 60 requests for the application forms.

**Mr. Epp:** So it is primarily from smaller municipalities?

**Mr. Boles:** It ranges from the city of Toronto—probably the largest—to quite small municipalities with a population of 10,000 to 15,000, about the size of Lindsay which we discussed earlier. Some are possibly even smaller than that.

**Mr. Epp:** What do they all require in order to get on stream? Do they need a consultant study?

**Hon. Mr. Bennett:** An official plan, first of all.

**Mr. Epp:** An official plan?

**Mr. Boles:** The program eligibility requirements require them to have an official plan, with the appropriate policy base, a property standards bylaw and the administrative and financial capacity to implement the program as prescribed in the guidelines.

In developing a project under the program it is essentially up to the municipalities if they wish to involve a consultant study to provide them with the information required for the applica-

tion form. They might also do so for the more detailed implementation plan, the costs of which are an eligible item in cost sharing between the province and the municipality.

**Mr. Epp:** Is the property standards bylaw a prerequisite?

**Mr. Boles:** Yes.

**Mr. Epp:** Because there are a lot of municipalities that have not gone that route, have they?

**12:20 p.m.**

**Mr. Farrow:** Although there are numbers that have not gone the route, there are a lot that have.

**Mr. Epp:** Yes. I think my own municipality is debating that fairly actively right now, and there is some opposition to it.

**Hon. Mr. Bennett:** On what basis would they be opposed?

**Mr. Epp:** I think it is a matter of rights determining the rights of the individual in keeping their own buildings and being able to maintain them the way they want and so forth. They think you are going to have Big Daddy going in there and interfering with it.

I do not know whether Cambridge has it.

**Mr. Chairman:** I am not sure. I cannot recall.

**Mr. Epp:** I think Kitchener has it.

**Mr. Chairman:** Does it? I think Cambridge has.

**Mr. Epp:** How much money is allocated for this year, in the 1983-84 budget?

**Hon. Mr. Bennett:** Peter, what do we have for the commercial area improvement program?

**Mr. Boles:** We have \$18 million.

**Mr. Epp:** That would be in the supplemental estimates.

**Mr. Boles:** In 1983-84, \$18 million was approved for commitment, \$12 million of which has already been committed to the Ontario neighbourhood improvement program and \$6 million of which will be committed under the commercial area program before the end of the fiscal year. That will be cash flowed over the next four years; it is a four-year implementation cycle.

**Mr. McClellan:** ONIP is \$12 million?

**Mr. Boles:** ONIP was \$12 million and has been \$12 million for the past three years.

**Mr. McClellan:** My book shows it as \$12 million.

**Mr. Boles:** That is the current budget allocation for cash flow; this fiscal is \$6 million. Because the program is implemented over a four-year period, the cash flow is broken down into increments of actually \$8 million, but—

**Mr. McClellan:** I wonder if I could pursue that, because ONIP happens to be one of my favourite programs.

**Hon. Mr. Bennett:** It is with a lot of municipalities and members.

**Mr. McClellan:** It has really been a blessing for our community, which, as you know, is an inner city, downtown neighbourhood. We have been able to upgrade and provide community facilities that other communities take for granted, which we would not have been able to get otherwise.

I am going from the briefing book on page 05, the interim actual. The budget for ONIP for 1982-83 is shown as \$7.5 million, but the interim actuals as of September 1983 were only \$1.7 million.

**Mr. Boles:** That was the actual cash flow.

**Mr. McClellan:** Right. I was concerned about that. It suggests that for some reason the take-up is not what is being budgeted.

In our community we have a project now in the Christie-Ossington area that will serve the new Frankel-Lambert development. As you know, it is a major housing development on a 10-acre site with a lot of new family accommodation and lots of kids, and it will put a lot of pressure on our existing facilities; so we have an ONIP project under way, but with a relatively small budget, \$600,000. It is not bad, but we could always use more, I suppose, like everyone else.

**Hon. Mr. Bennett:** That is what I told the treasurer (Mr. Grossman) the other day.

**Mr. McClellan:** That is right. But when I see really excellent programs that are being budgeted at a reasonably good level but whose funds are not being expended, I really ask some questions about that.

Is there some explanation for the discrepancy between what the Legislature approved in 1982-83 and the interim actuals?

**Mr. Boles:** There is. The 1982-83 estimates were struck when the program was in the formative stages in late 1981. We were looking at that time at a time sequence for getting the program off the ground, which would have resulted in a cash flow maybe not of \$7.5 million

but substantially in excess, we had hoped, of the \$1.7 million which was the actual.

As it stands, the problems with getting the information out to the municipalities—application forms, developing the program, guidelines and so on—then the planning process that the municipalities have to go through, resulting in the execution of provincial-municipal agreements, took longer than had been anticipated. As a result, that had implications on the amount of cash flow we could generate in 1982-83.

This current year we had budgeted \$6 million, as it appears in the 1983-84 estimates. We have done an in-year revision upping that to \$7.7 million, which we would hope would be cash flowed by the end of the year.

The projects approved in the first two years are being implemented and claims are coming in in an ever-increasing volume, and our cash flow is taking off pretty well. We anticipate that we would pick up last year's shortfall this year.

**Mr. Pollock:** Do Pride or ONIP fund municipal airports? They certainly would not do it for the private sector.

**Mr. Boles:** No, ONIP is restricted to residential neighbourhoods that need certain eligibility criteria as to age, state of deterioration, adequacy of public service within those areas. The commercial area improvement program is similarly restricted to commercial areas that meet eligibility criteria established.

**Mr. Pollock:** Not even if you felt that this airport was a real necessity?

**Mr. Boles:** I am not sure what funding sources are available to municipalities to assist in airport development or redevelopment, but the Pride program is oriented specifically to blighted residential or commercial areas.

**Hon. Mr. Bennett:** Your question would be one that should be placed to the Minister of Transportation and Communications (Mr. Snow). As Peter and others said, when these programs were designed, the Pride program, the commercial area improvement program and so on, they were intended to try to redevelop and rejuvenate already established portions of the community.

**Mr. Pollock:** What about reserves? May they apply for an ONIP grant?

**Hon. Mr. Bennett:** Indian reserves?

**Mr. Pollock:** Yes.

**Hon. Mr. Bennett:** No, mainly because they fall beyond the spotlight; responsibility would fall under the federal government. We have

never proceeded on to reserves, even with some of our other programs, mainly because we get into certain conflicts.

**Mr. Pollock:** Does the federal government have any program that they can apply to?

**Hon. Mr. Bennett:** That I cannot tell you. We can look into it, but I am not aware of any at the moment. We are not in a position to take a mortgage or a lien on reserves, which is one of the impediments we start to run into.

**Mr. Chairman:** That concludes the discussion on Pride. It is now 12:30 and we will be back on this vote tomorrow evening at eight o'clock.

**Mr. McClellan:** I assume we would be ready to at least start some discussion of the Ontario rental construction loan program, so perhaps there would be somebody from the ministry who would—

**Hon. Mr. Bennett:** The next vote, 2403, will include that.

**Mr. McClellan:** Right, I assume there will be some people from the ministry who will have some—

**Hon. Mr. Bennett:** Do you think we need some?

**Mr. McClellan:** —background information.

**Hon. Mr. Bennett:** Oh, background.

**Mr. McClellan:** You can answer all the policy questions. I really want to get some of the basic statistical information about the ORCL program

**Mr. Chairman:** Okay, eight o'clock tomorrow evening.

The committee adjourned at 12:29 p.m.

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Bennett, Hon. C. F., Minister of Municipal Affairs and Housing (Ottawa South PC)

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Epp, H. A. (Waterloo North L)

McClellan, R. A. (Bellwoods NDP)

Pollock, J. (Hastings-Peterborough PC)

Watson, A. N. (Chatham-Kent PC)

Wiseman, D. J. (Lanark PC)

### **From the Ministry of Municipal Affairs and Housing:**

Bain, G. K., Director, Local Planning Policy Branch, Community Planning Programs Division  
Boles, P. W., Manager, Program Operations Section, Community Renewal Branch, Community Planning Programs Division

Farrow, G. M., Assistant Deputy Minister, Community Planning

Hodgson, D., Director, Building Code Branch, Corporate Resources Management

Nykor, R. R., Co-ordinator, Communications Branch



No. R-23

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# **Hansard**

# **Official Report of Debates**

## Legislative Assembly of Ontario

**Standing Committee on Resources Development**  
Estimates, Ministry of Municipal Affairs and Housing

**Third Session, 32nd Parliament**  
Thursday, December 8, 1983

Speaker: Honourable John M. Turner  
Clerk: Roderick Lewis, QC

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# LEGISLATIVE ASSEMBLY OF ONTARIO

## STANDING COMMITTEE ON RESOURCES DEVELOPMENT

Thursday, December 8, 1983

The committee met at 8:09 p.m. in room 228.

### ESTIMATES, MINISTRY OF MUNICIPAL AFFAIRS AND HOUSING (continued)

On vote 2402, community planning program:

**Mr. Chairman:** We are in the middle of the community planning program. We had two presentations on that program. Are there any questions on the community planning program that we could present to the minister or staff?

**Mr. Epp:** Yes, Mr. Chairman. I have a few points I would like to raise, if I might. Very briefly, I want to go over some of the aims or objectives of this program. I see contradictions in it.

I notice that as part of the aims or objectives of the program, it says at one point: "The community planning wing of the Ministry of Municipal Affairs and Housing was created to ensure that provincial interests and municipal and private sector objectives are achieved within a sound community planning framework." They then go on to say that this goal is met by ensuring that "the policy and planning process is responsive to the changing environment" and that "the character, design, economic conditions and social balance meets the needs of individual communities". I find this somewhat short of meeting the goal—or to be kind, I suppose, I find that these are somewhat meaningless platitudes.

If private sector objectives were being achieved, we would have incentives to build a lot of rental housing, which we obviously need. If we look at the vacancy rates across the province in the private, municipal and public sectors—the minister is familiar with the vacancy rates—we see that the private sector could use incentives to build affordable housing to meet some of those needs.

I am sure that even you, Ross, could understand that the private sector would like to get into the business of building more rental housing for the people. You would not object to having more rental housing for the people out there who very much need it.

If we look at the vacancy rate in 1983, we find

that in Barrie there are no vacancies at all. In Brantford, there is a rate of 2.3 per cent; in Kingston, it is 0.1 per cent; in Peterborough, where the Speaker lives, it is 0.7 per cent; in Hamilton, it is 0.8 per cent; and in Toronto, it is one per cent. In Sudbury, it is 0.4 per cent. Even in Oshawa, it is only about 1.5 per cent. In my home area of Kitchener-Waterloo it is 0.9 per cent.

If these are anything more than platitudes, I would like the minister to indicate what the government intends to do to give some incentives to meet some of the goals of the municipalities in these areas.

**Mr. Farrow:** If I may, Mr. Epp, under this vote and under this program overview you are talking about, we are committed to providing an environment, in the form of official plans and zoning bylaws for subdivisions within our purview, that would make it possible for all these types of housing. We are really attempting to make sure—it came up earlier on group homes and various other things—that our planning goals are really being achieved. Most official plans and zoning bylaws make provision for housing. In many cases, we have the serviced land available on which to build any form of housing right now. We believe there is enough serviced land in Metro Toronto and particularly in the city of Toronto to accommodate—

**Hon. Mr. Bennett:** Mr. Chairman, may I interrupt for just a moment? If we are going to talk about housing, I think that can come under another vote. If we are talking about the zoning principles or practices, that is another thing. Obviously, you appreciate as much as I do that zoning land is a responsibility of the municipality, Metro or the regional government or the county government, whichever it happens to fall to as the upper-tier situation. If we are going to get into the full housing program now, I have no objection, except we are going to get somewhat off base to what we had—

**Mr. Chairman:** I think we should try to stick to the topic of community planning.

**Mr. Epp:** You honestly feel there is enough land out there for all of this?

**Hon. Mr. Bennett:** Let me put it this way, Mr.

Chairman, if I can answer it. If we are going to start talking about how zoning relates to development, obviously the municipality establishes a zoning that it thinks is most apropos for that particular community. If we, as a ministry, think certain provincial policies or things are being violated, we will object by putting ourselves before the Ontario Municipal Board or, even more important, prior to it getting any kind of blessing by the province, we will try to negotiate with the municipality for a correction.

We do not try to tell the municipality that they have to have X, Y, Z zoning to accommodate whatever type of housing. The local government should have that responsibility. Where we are talking about areas such as food land guidelines, mineral extraction—that is, pits and quarries—or the Niagara Escarpment, the provincial government has a very clear and defined interest in those kinds of things, in a general sense, for 8.5 million people and not specifically for that community.

**Mr. Epp:** We can save it for the next vote.

**Hon. Mr. Bennett:** Just so we are clear, zoning is a responsibility of the municipality. I hope you are not implying that the Ministry of Municipal Affairs and Housing should become a more forceful entity in trying to tell the municipality what kind of residential development it is going to have in a given community. I can tell you, Herb, your community would be the last one to buy that kind of interference by a ministry.

**Mr. Epp:** No, I am not suggesting that.

**Hon. Mr. Bennett:** No. But when you get down to asking me about what happens in Toronto, that is a problem of this municipality, not of my ministry.

**Mr. Epp:** I am asking you whether there is enough land available to zone properly.

**Hon. Mr. Bennett:** If you are talking specifically about downtown Toronto, I think George Cook, commissioner of housing for Metropolitan Toronto, and others who have been involved in some of the housing responsibilities have clearly indicated in statements to the press in recent days what they think about the problems of trying to create housing in the downtown environment.

**Mr. Epp:** I have not seen those statements. I have not seen what George said as recently as the last day or two.

**Hon. Mr. Bennett:** Let me get into it in the next vote, Mr. Chairman, or whichever vote

that covers housing, because there are some that may or may be not valid by your standards or mine, but they are there.

**Mr. Chairman:** Anything else, Mr. Epp, on the community planning portion of this?

**Mr. Epp:** Not right now.

**Mr. Breagh:** Mr. Chairman, I just want to pick up on one item that is under this vote, vote 2401, item 5, where part of the administrative process here is to identify the needs of client groups in our society. One of the things which is apparent to me—

**Mr. Chairman:** Is this on page 47?

**Hon. Mr. Bennett:** Is it vote 2402, item 5?

**Mr. Breagh:** No, vote 2401, item 5.

**Mr. Chairman:** We passed vote 2401. We passed the administration portion.

**Mr. Breagh:** We passed that vote?

**Mr. Chairman:** Yes, we did.

**Mr. Breagh:** We are on planning, then?

**Mr. Chairman:** Yes, we are on planning. You can probably relate your question to planning, I am sure.

**Mr. Breagh:** Since you want me to relate it to this particular vote, I will relate it to page 68 of the community planning section, the program overview.

One of the things that must be surfacing in all of this planning for future programs is a clear identification that for whatever reasons—and we will set the reasons aside—there is now a growing need for some kind of intervention to provide for assisted housing, particularly for those groups that Ross talked about the other night.

There is now a young woman, Diane Bedard, camped outside the town hall in Cobourg. The problem is a good illustration of a problem facing most municipalities, including my own; and I think the member for Durham East (Mr. Cureatz) will tell you exactly the same thing. It is clear to most of these communities that whatever programs are operative to provide for rental accommodation are missing a fair chunk of the market: those people who need some kind of assisted housing.

In particular, even though seniors in my area really do not have their needs fully met, there is another group of people which Ross spoke of at some length the other night. They are younger people, particularly—at least from my experience—women who have two or three kids. This woman camped outside the town hall in Cobourg is one of those who needs some kind

of assisted housing, and no one is meeting that need now.

I would think that, four or five years ago, you could have made an argument that there were government programs which identified those needs. However, in my area—in Cobourg, obviously, and from what I understand, around the province—there should be an information program which is telling the ministry at this level that there is a need to generate either new programs or new plans which would identify and fulfil that need. It is pretty clear. I would like to see how your process works to do that.

**Hon. Mr. Bennett:** Again, Mr. Chairman, we are getting back into the housing vote. If you want to deal with it here, fine. I have no objection, except we are going to get into some complications when we arrive at time constraints.

I do not profess to know all the details of this lady in Cobourg. I have had some comments made to me by various parties. I asked my staff earlier today to try to track down some of the information, to see whether the situation is as clear-cut and negative as some people would present it. I am not referring to you; I am referring to those who have commented on it via the press medium.

I stand to be corrected, but my understanding is that this lady, when her plight was known, received a substantial number of accommodation offers. However, I do not have the report.

**Mr. Breagh:** That is not my impression. Let me try to—

**Hon. Mr. Bennett:** You will appreciate that she has lived with this problem in places other than Cobourg. She has been in one, two or three communities.

2:20 p.m.

**Mr. Breagh:** The thing I am trying to pick up on is basically this: The woman who is camped outside the town hall in Cobourg is one instance. She had a regular stream of people through my riding office this summer looking for accommodation at the lower rental rate, and who spent the summer living in cars, tents and campgrounds. Mr. Martel and Mr. Laughren have related the problems in the Sudbury area regarding people at the lower end of the economic scale.

From our point of view—not to pick one example, but to try to go around the province—there are regular reports of people at the lower end of the economic scale who cannot find rental accommodation. I want to know how our ministry goes about identifying when there

is a need to develop new programs. I do not want to talk about how you are going to do this, or the housing, but how do you identify when there is a real need in Ontario to generate new plans or new programs?

**Mr. Chairman:** Under this vote.

**Hon. Mr. Bennett:** It does not relate to community planning. Let me put it that way clearly.

**Mr. Breagh:** The background material says “the character, design, economic conditions and social balance meets the needs of individual communities.” It strikes me that this is what I am talking about.

**Hon. Mr. Bennett:** Which is a responsibility of the municipality. That is what we are saying.

**Mr. Farrow:** Within the official plans, we are trying to make sure that official plans drafted by your municipality and others take into consideration the land use, not the determining of individual people or looking out for a certain area.

**Mr. Breagh:** Let me just go over this. I am going to persist on this.

On page 68 it says, and I will read it for you: “The community planning wing of the Ministry of Municipal Affairs and Housing was created to ensure that provincial interests and municipal and private sector objectives are achieved within a sound community planning framework. This goal is met by ensuring that”—and the first one is—“the policy and planning process is responsive to the changing environment.”

It strikes me that part of that changing environment is when you hear reports that there are people living in cars, living in campgrounds or parked in front of municipal buildings, that ought to be some indication to you that there are changing economic conditions out there that require changing policies.

**Hon. Mr. Bennett:** Not to be argumentative but to be straightforward, we are talking about what a municipality's responsibility is in trying to design and develop an official plan for the community, not which iron-fisted approach you think the province should be taking.

**Mr. Breagh:** I am asking the province to listen to the real problems that people have.

**Hon. Mr. Bennett:** We listen to the municipalities. They are principal in this subject, are they not?

**Mr. Breagh:** They are part of it, yes.

**Hon. Mr. Bennett:** No, they are principal; it is their plan. It is their development, their com-

munity. It is their long-term provision of housing or whatever else is required.

If you are suggesting that all of a sudden the ministry should become the principal agency, I have to tell you there are going to be 838 municipalities out there jumping through the hoop.

**Mr. Breagh:** Let me pursue this from a slightly different angle, since you seem to have difficulty gathering up the perception.

**Hon. Mr. Bennett:** I do not have difficulty, no.

**Mr. Breagh:** I assume that, for example, when you designed the neighbourhood improvement program, it came from municipalities or someone telling you there was a need to design a program that would allow people to improve their homes and allow municipalities to design plans which would incorporate that. I also assume that when you did downtown renewal programs, the same process was at work and that when you moved into the private sector with some assistance to developers, somebody told you it was a good idea. Also, at the time when you were doing Ontario Housing Corp. projects on a large scale, someone was generating the information flow which made you plan expenditures, policies and programs.

I am trying to point out to you that here is another problem that is being identified by municipalities around Ontario. I am asking you how you identify those needs, how you pick them up and translate them into programs.

**Hon. Mr. Bennett:** Let me suggest to you that what we are really in is the housing area, but I will try to answer one or two of your points.

When you talk about the OHC being in a community, we were there by invitation. The municipalities said to us—it was not us saying to the municipalities—"We believe there is a requirement for X, Y and Z type of accommodation in this community."

That is no different from when we have applications under the current program of non-profit municipal housing. They say, "We believe we require a certain type of facility." We do not go in and impose ourselves upon the community.

**Mr. Breagh:** Which municipality asked you to provide assistance to private developers?

**Hon. Mr. Bennett:** Let me put it this way: we need the option. So that you are clear regarding the Ontario rental construction program—if that is what you are referring to, and we are now getting into another vote—there are two or three things we know.

First, the private entrepreneur is not going to come to us and ask us to do something if he does not believe there is a market for his product. If there is a market for his product, we are prepared to get involved. We would also look at what the waiting list happened to be at the housing authority.

The option is there as to whether or not we rent the 20 per cent. In other words, if the need is not apparent for that type of structure, the housing authority is obviously not going to obligate itself to getting into renting the unit unless it knows it has a client who, being an applicant, can use it.

**Mr. Breagh:** Are you saying it was the municipalities of Ontario, through the planning process, that initiated that program?

**Hon. Mr. Bennett:** No, wrong. It was the municipality that provided the correct zoning to allow for the type of structure which was applied for under the Ontario rental construction loan program; it was not us.

In other words, the individual had the appropriate site, the right zoning and he must have known—and indeed my people in the Ontario Mortgage Corp. and so on would want to be sure—that the market was there to use up the capacity that he was intending to build with the assistance of the mortgage corporation.

**Mr. Breagh:** Then how do you plan future programs to meet a need that I have tried to identify? Do you wait for municipalities to say that to you?

**Hon. Mr. Bennett:** You are losing me, because most of our programs—

**Mr. Breagh:** It is not that hard. I have identified a housing need that is there.

**Hon. Mr. Bennett:** It may not be that hard for you because you know what you are talking about. I am not sure I do know.

**Mr. Breagh:** Are you waiting for municipalities to say to the ministry, "We need you now to develop and plan a program which will provide a housing need that is identified at the lower end of the economic scale"?

**Hon. Mr. Bennett:** First, as I want to indicate clearly, there are two very serious types of programs. One is municipal nonprofit; the other is private nonprofit and co-ops. Indeed, these three have an opportunity to try to provide a type of facility that they think will serve the market in which they are trying to get involved.

I would trust that none of them would try to propose a plan to us, to Canada Mortgage and

Housing Corp. or the Ministry of Municipal Affairs and Housing, that was not a viable project, that had too many units of a particular category or value to be accommodated in that market. That is why on occasion my ministry has not concurred with the demands or requests made upon it by a particular organization. When, the odd time, we are consulted about a co-op, we will say, "If you are going to build a co-op, a private nonprofit or a municipal nonprofit, we had better get pretty straight what the market is that we are trying to serve, because you cannot have each one building for basically the same clientele."

On the other hand, if we come out with a rental construction loan program, we have some idea just by the consensus from municipal people and the consensus from people in the private sector and the consensus of those who are employed by the government of Ontario as to what the needs might be. That is the way we arrive at it.

It is not because the municipality says they have to have units. The municipality could very well obviously express a view on the nonprofits because the corporation is, generally speaking, its corporation. I think we do have some appreciation of the ability of the marketplace in that community to take up what is being proposed, whether it be by any of the nonprofits, the co-ops or the private sector.

**Mr. Breagh:** What reviews are you doing now? For example, you have—

**Hon. Mr. Bennett:** I just want to say that those proposals are made to the housing wing, not to the planning wing. Mr. Farrow's portion of the ministry tries to respond to the demands of a municipality or a region or a county or any of those as to the type of zoning they are looking for. Mr. Farrow's portion of the ministry does not get down to deciding the value of property they are going to build there or whether it is going to be available for client X, Y or Z.

**Mr. Breagh:** You are saying Mr. Farrow does not take into account the character, design, economic conditions and social balance?

**Hon. Mr. Bennett:** That is the responsibility of the municipality.

**Mr. Breagh:** It is strange that you have listed it under this vote then.

**Hon. Mr. Bennett:** That is what we claim to be their responsibility as a municipality. You and I have served in that capacity. I speak from personal point of view, but there were times I

resented it when some individual on his white charger came down from Toronto to tell us—

**Mr. Breagh:** Toronto?

**Hon. Mr. Bennett:** Yes, that is the Queen City, is it not? Is that not where the provincial government is located?

**Mr. Breagh:** I thought it was Brampton.

**Hon. Mr. Bennett:** No, that is the initial white charger.

**Mr. Epp:** What you have indicated to the committee is that you try to respond to the needs of the municipality and to the requests of the municipality. Why is it then that when the city of Toronto asks for demolition control you so obviously ignore it and have ignored it over two years or have not even partially tried to meet its particular needs?

**8:30 p.m.**

For instance, if we go over the city of Toronto bylaws 393-80 and 395-80, they ask for a limit on the depth of a new apartment building to 17 metres, which is 55 feet, from our minimum front lot line setback of a lot. This was passed by city council on April 28, 1980, and the Ontario Municipal Board hearing was held September 4, 1981.

The board reserved its decision, but granted an exemption to the properties at 2525 Bathurst Street and 790 to 840 Eglinton Avenue West. On September 24, 1981, the city council unanimously voted to appeal the OMB decision to cabinet. Cabinet has not yet ruled on the appeal.

That was back in 1981. As you know, I can give you all kinds of other examples of situations where they tried to get some kind of positive response from the cabinet, from your ministry—

**Hon. Mr. Bennett:** Recite them. I would like to know which ones you are referring to.

**Mr. Epp:** Sure, I will recite them. Under bylaws 734-80, 735-80 and 736-80, they would limit the size of new buildings, on lots where apartment houses already existed, to a height of 11 metres and a density of one times the lot area. That was adopted by city council on October 1, 1980, to be effective in two years. That was quashed in Divisional Court on June 25, 1981. The city was denied leave to appeal the court decision on September 9, 1981.

Under bylaws 749-81, 750-81 and 751-81, when a new building is erected on a lot, or when an existing building is altered, the final project would be required to contain at least as many dwelling units as the original building. That is one thing they requested.

This was first considered by council in October 1980. It would have been in effect for a two-year period from November 19, 1981. The OMB decision has yet to be released.

**Hon. Mr. Bennett:** That is right.

**Mr. Epp:** Bylaw 709-83 would prevent the conversion of existing residential units to commercial units, notwithstanding the zoning provisions adopted by city council on October 3, 1983. It affects all units used for residential purposes on and after that date, and is to be in effect until October 3, 1984, at which time council would be allowed to renew it for one additional year. That requires OMB approval.

That is another area where they are asking for additional units, or where they want to preserve some units.

Then, for hotel conversion, they have asked for some kind of bylaw regarding the conversion of current rental units into hotels. As you know, my colleague the member for Parkdale (Mr. Ruprecht) has brought in a private member's bill so that the government of Ontario could do something to strengthen the present regulations. Maybe that does not fall directly—

**Hon. Mr. Bennett:** Regulations?

**Mr. Epp:** Well, legislation.

**Hon. Mr. Bennett:** That is better.

**Mr. Epp:** Yes. Thank you.

**Hon. Mr. Bennett:** It is a long way from a regulation, I can tell you.

**Mr. Epp:** Yes. Well, sometimes it comes pretty close. Regulations are pretty close to legislation. The government has control over both, anyway.

**Hon. Mr. Bennett:** That is correct.

**Mr. Epp:** The new bylaw, which is subject to OMB approval, affects buildings situated on lots on which the zoning permits hotel uses. In that sense, the bylaw redefines "hotel" in the zoning bylaw to include only newly constructed buildings or buildings whose current use is nonresidential. This would prevent existing apartment buildings, such as the Colonnade and the Manulife Centre, from being converted to hotel use.

This request has been put to the government to have some change there. Although it affects residential units, your government, of which you are a member, has not done anything about it.

What I am saying is that if you really respond to the needs of cities and other municipalities, why are you not acting on things such as

demolition control? The city of Toronto has asked for a response on that for some time now.

**Hon. Mr. Bennett:** Mr. Epp, there is quite a difference between being in government and being in opposition. You will appreciate that, I am sure, after the years you have been around here.

One thing is that we do have a responsibility not only to take in partisan positions but to take in a very general position in Ontario. There is a certain thing that you appreciate as a Liberal: there are property rights in this province. Believe it or not, there happen to be. Some people are entitled to those property rights, once they have purchased that property and put a lot of hard-earned capital into it.

We have tried to be objective in our views. You are the people who continue to argue with me, both the opposition parties, about not encouraging people into the rental market. I suggest to you that you can only go so long in turning people off. They are not going to be enticed by you, me or the New Democratic Party to invest money in rental construction.

If you take property rights away, people will eventually become turned off and leave the province. They will either leave it in a physical way or leave it from the rental market; one or the other is going to happen.

**Mr. Epp:** Are you saying that people have left the province because of rent controls?

**Hon. Mr. Bennett:** I am suggesting to you that people, because of restrictions placed upon them and their property rights, have decided not to be in residential rental premises; that is correct.

**Mr. Stokes:** By whom?

**Hon. Mr. Bennett:** What do you mean "by whom," Mr. Stokes?

**Mr. Stokes:** Restricted by whom?

**Hon. Mr. Bennett:** Restricted by government actions, and I take some of the responsibility. It is not only government actions but the constant fear that is perpetrated upon the public about this, that and the other thing. You know the ones I am speaking of, Mr. Stokes. Whether it be the municipality that wants to restrict my rights, whether it be the Legislature that wants to restrict my rights or when somebody else talks about some other program at a federal level, all of a sudden he says, "Why should I venture this kind of risk?"

**Mr. Breaugh:** The people who are running the show and who want to leave that kind of

stuff to the private sector should be put out of business, no question about that; you have convinced me.

**Hon. Mr. Bennett:** You should have Oshawa on your side then, with General Motors.

**Mr. Breaugh:** Oshawa is always on my side, you know that.

**Mr. Eakins:** So you have a feeling for the feds in this matter.

**Hon. Mr. Bennett:** I beg your pardon, John?

**Mr. Eakins:** You mentioned the opposition viewpoint. You must have greater respect for the federal government now, do you?

**Hon. Mr. Bennett:** I have respect for everyone in political life. I think everyone who gets elected is entitled to have a view and express it. I have no objection to that; that is the way the system works. I agree with the late John Roberts who used to say—

**Mr. Epp:** Where are you—

**Hon. Mr. Bennett:** Just let me finish, because he has a better reputation than you and I will have when we leave public life.

**Mr. Epp:** I am glad you put us together.

**Hon. Mr. Bennett:** I think of you first.

**Mr. Epp:** You only put me first because you want to be polite.

**Hon. Mr. Bennett:** That is right and that is one of the things I enjoy doing. I like to think there is a degree of politeness left in the political field.

**Mr. Chairman:** Are we still on vote 2402?

Interjections.

**Hon. Mr. Bennett:** Let me suggest to the member, if you got included it was only because we learned the lesson from your federal friends.

**Mr. Epp:** You never learned anything; you never admitted learning any lessons from them.

**Hon. Mr. Bennett:** Very seldom.

**Mr. Chairman:** I have a couple more speakers.

**Hon. Mr. Bennett:** Let me just finish the question for Mr. Epp, because I think—

**Mr. Chairman:** It is an answer you are giving.

**Hon. Mr. Bennett:** I said "finish the question."

**Mr. Chairman:** You are answering the question.

**Hon. Mr. Bennett:** If I am going to finish the question, I must have an answer, or at least try to give an answer which he logically would accept, but that is beside the point.

**Mr. Epp:** Maybe you could quote Leslie Frost, because we had his successor here.

**Hon. Mr. Bennett:** Leslie Frost, let me tell you, was a fine Premier in this province, a fine Premier.

**Mr. Chairman:** Minister, finish your answer to the question, please.

**Hon. Mr. Bennett:** What was the question?

Interjections.

**Mr. Chairman:** Let us try again. The next time the press has a party on a Thursday night—

**Mr. McClellan:** Mr. Epp is asking you to respond to the problem posed by the strike of capital that has been caused by the socialist policies of the Conservative government.

Interjections.

**Hon. Mr. Bennett:** When the cabinet is ready to make decisions—

**Mr. Epp:** I will wait until hell freezes over, too.

**Hon. Mr. Bennett:** You may not be around here by that time.

**Mr. Chairman:** Mr. Stokes has a question. Are you sure it is on vote 2402? Mr. Stokes has a way of asking questions on a particular vote that we have in front of us.

**Mr. Stokes:** Thank you, Mr. Chairman. This problem I am going to try to engage the minister in deals with local planning, community planning advisory services and special projects.

To set the stage for the minister, I want to remind him we have a very important undertaking under way along Highway 17, almost equidistant between Manitouwadge, Marathon and White River, where we have identified well in excess of 41 million tons of commercial-grade gold valued at between \$6.5 billion and \$7 billion. Three companies are interested in developing a portion of that ore body: Noranda Mines Ltd., Teck Corp. and Lac Minerals.

8:40 p.m.

The mine is not located within the confines of a municipality. It is out in unorganized territory. Three communities are vying, literally tripping over one another, for a piece of the action. Given the present state of the art, it is all going to be based on residential assessment with a little bit of commercial assessment to satisfy the influx of a work force over the next 20 to 25 years.

Those three communities I have mentioned are going to be the dormitory or bedroom communities, without any ability directly to tax the resource, get sufficient economic rent to pay for all the infrastructure—whether it be

water, sewerage, streets or in one case even a school—to satisfy the needs of this newly created work force.

We have a task force headed by, I think, the Ministry of Northern Affairs. I am not aware of any person within your ministry who may be involved at the regional level, although I am sure there must be one. I have spoken with our colleague the Minister of Northern Affairs (Mr. Bernier) as to how the province is going to play a role, because without the ability of the communities to assess the mine, since it is not within the confines of a municipality, there is going to have to be another way of directing money.

You know, and everybody else in this room knows, that there is no community anywhere in any jurisdiction that can even break even, let alone make any money, on strictly residential assessment. If you do not have a good mix of industrial, commercial and residential assessment, you are in trouble.

When you look at the value of that resource which has been identified to date, and which we are still counting, we think and hope it is going to be much in excess of \$6.5 billion to \$7 billion, but most of that is going to accrue to the federal and provincial governments, by way of taxation.

By some process of planning or osmosis, or something like that, they are going to have to find a way of assisting the municipalities that are going to be the dormitory communities for that work force and the level of government responsible for providing the services that people have come to expect and demand.

A heritage fund has been suggested—there is one in existence in Alberta; a tomorrow fund has been suggested; a resources development fund has been suggested. The minister will know that at one time we had mining revenue payments which, where mining enterprises were outside the boundaries of an organized municipality, used to compensate the mines' dormitory communities in some way, shape or form. That was changed by our former colleague Darcy McKeough—

**Mr. Epp:** Where is Darcy?

**Mr. Stokes:** He is down in southwestern Ontario. I think you know where he is.

That was supplanted by resources equalization payments. I do not know whether that is through your ministry or through the Treasury, but that was supposed to take the place of the former revenue payments.

We are now in a situation where we have to do everything possible to broaden the economic base for those communities. Nobody is going to

suggest that the development of that ore body is going to create new wealth and is going to benefit everybody in Ontario or in Canada.

Right now there is going to be a commitment of \$800 million for underground and on-surface plant in order to exploit that ore body. What is your ministry doing to co-ordinate the task force activities? I wonder what it is doing to advise and assist in the planning for this new development for the bedroom communities that are going to be forced to spend an awful lot of money which they do not have. Under normal circumstances, they will not have an awful lot of money, unless you are going to put an undue burden on existing taxpayers.

The minister will know that this is not like growing a field of corn or an acre of trees. This is a finite resource, and we know from the first day that when we take a bucket of ore out of that ground, we will be that much closer to the day when we have to walk away from it.

You know what northerners generally say: "We are the hewers of wood and the drawers of water. We are in a boom and bust kind of cycle, and we have to do everything collectively."

Your ministry and everybody in government and everybody who gives a damn about what happens in the north has to come up with a plan to assist in that economic development, while at the same time providing reasonable service for the new work force that is going to be attracted, but not imposing an undue burden on existing municipalities that are going to be required to provide the services, all of the infrastructure, and do not have the ability to pay for it.

Finally, when I discussed this with your colleague, he said: "No, we do not need a resources fund, we do not need a heritage fund and we do not need a tomorrow fund. If anybody in the north needs money, just let him come to the Ministry of Northern Affairs, and it will be there waiting for him."

I said: "That is all fine and dandy. I wish I could take that commitment back to those three municipalities and any other municipality in the north that finds itself in a similar situation. However, we are approving your estimates tonight, and your estimates have dropped by \$20.6 million. Where are you going to get the money? I know Manitouwadge, Marathon and White River are going to come knocking on your doorstep asking for assistance."

"Oh," he said, "we'll have to come up with supplementary estimates or something, but the Ministry of Northern Affairs is the heritage fund."

I would like you to react to that and to tell me in what way you are co-ordinating, assisting, and advising those municipalities on local planning. I would like to know your capacity for providing advisory services or maybe even special projects.

**Hon. Mr. Bennett:** We are now dealing in two areas. First, there are the planning and extraction responsibilities of the province in various unorganized territories.

The second area is just as important, as Mr. Stokes has said. Where are municipalities that lie on the border or are adjacent to the border of a given strike—that strike being a mineral source—going to get their funding to expand to accommodate those who are coming in to work in the mining development?

I do not pretend to have all of the most up-to-date information on every given section, Mr. Stokes. However, I believe that both Mr. Farrow and Mr. Fleming—Mr. Farrow being the assistant deputy minister for community planning and Mr. Fleming being the assistant deputy minister for municipal affairs—have been involved, not only with some of the local people, but with our colleague Mr. Bernier and others in what is likely to transpire in this area and what we must do to try to facilitate it.

I recognize that if a community develops or expands overnight, it does not have the financial resources from municipal taxes, property taxes or whatever other sourcing they have to accommodate the rapid development that could happen as a result of 41 million tons of gold extraction from that particular community. Regardless of what the end value of the product happens to be, the community is not likely to experience a great, rapid increase in its economic wealth.

I have asked Mr. Fleming—and I ask the members of the committee if they would bear with us because Mr. Fleming should really be speaking on vote 2406—if he can try to respond in a co-operative way with Mr. Farrow.

8:50 p.m.

**Mr. Farrow:** In the first aspect, Susan Taylor, with whom you are all familiar, is our representative on that. We are working with the municipalities to produce the necessary planning, to help them with their official plans, to get the subdivisions they are processing through done to the point they can take on the housing you say they are competing for. They are tripping over each other and we are trying to respond to the wishes of those municipalities. We can assist them in the planning aspects of the cost involved.

As you so well said, every time they take the first shovelful out of the ground, they are that much closer to the last shovelful. We think it a good idea to have the existing communities, those areas where the development takes place, and not a new town growing up here and there.

**Mr. Stokes:** No question.

**Mr. Farrow:** On that basis, we are trying to help them on matters such as planning policies and responses to the changing environment. This is part of the changing environment. We are going through these things to try to help them. We recognize that because we are going to put people there, when the resource is someplace else, they are going to be a bedroom or dormitory community or whatever you may want to call it.

That is well known in advance, and on the planning and the financing of it, we are along the lines you mention with respect to Northern Affairs. However, Mr. Fleming could deal more closely with that specific part.

**Mr. Chairman:** Sorry. We will try to get two microphones that work next year.

**Mr. Fleming:** As you probably know, we have had our people in these municipalities involved. One of the people with whom we have been talking is the reeve. As you say, there are some indications that they could get themselves into some financial difficulty.

**Mr. Stokes:** You are talking about Manitouwadge, specifically.

**Mr. Fleming:** That is right. We think that at this point it is more a matter of financial planning and how to go about it, rather than a need for money.

I am not saying that somewhere along the line funds will not be required, but at this particular point what we are doing is working with the municipalities in terms of financing and feeding into the interministerial committee which Northern Affairs is chairing.

We are watching very carefully the financial position of the municipalities—how they are doing their capital financing and what the resources are going to be. As and when capital expenditures come along, we will be looking to see what kind of assistance they get. As you know, the northern Ontario special support grant is a fairly substantial item, but that does not cover the capital expenditures that may be required.

**Mr. Stokes:** Operating maybe; capital no way.

**Mr. Fleming:** In the meantime, we do not think any of the municipalities are that far along the line that funding has to be done immediately. It is a case of monitoring with the municipalities as and when they require this funding and the way this funding is supplied, so that they do not get themselves into financial difficulties.

**Mr. Stokes:** Just to clarify that, Mr. Fleming, you are well aware that Silvio Cortolezzis, who is the reeve of Manitouwadge, came down here. I believe I put him in touch with your office. He had a particularly thorny problem. It was a matter of timing. If there was no access and a ready decision made by the Ontario Municipal Board, he was not going to be able to go ahead and get the wherewithal, other than borrowing through the bank—and he could not borrow through the bank without OMB approval—to pay for money that had already been spent on a trailer court wanted by Noranda Mines quickly, like yesterday.

If you are saying there is not some urgency in this whole process, I think you do not have access to all the facts.

That is one point. The final point I want to make is that without any ability to tax the resource itself or the plant that is going to be there to extract the resource, the only benefit that is going to accrue to those dormitory communities is the money that people spend there from their wages, and what little bit will be recovered to pay for the extra infrastructure, as a result of more residential units.

Collectively, through the consolidated revenue fund, we are going to be the beneficiaries of the \$6.5-billion worth of gold that will be extracted. Ottawa, sitting idly by, will get a good chunk of it, too.

What kind of mechanism are you going to put in place, or what kind of advocacy role is your ministry going to play, to speak up through the task force or through the Ministry of Northern Affairs and say, "This is a very special kind of thing, a special project, and we must facilitate the provision of infrastructure services to that work force that is going to create \$6.5 billion of new wealth that is going to find its way into the coffers of the consolidated revenue fund"?

What kind of advocacy role is your ministry going to play to make sure the local taxpayers in those northern, one-industry towns are not going to be left holding the bag?

**Mr. Fleming:** To respond to your first question, I did not intend to leave the impression that there was not some urgency. The particular problem that the Manitouwadge council got

into was really a matter of the way they went about raising the money.

**Mr. Stokes:** It was on the advice of some well-intentioned person in Thunder Bay from your ministry, as I understand it, but I could be wrong. They took the best advice possible. It happened to be wrong. I do not point the finger at anybody. We are all in this together. I want you to help us to get them the hell out of it.

**Mr. Breaugh:** Sounds reasonable to me.

**Mr. Fleming:** We are in the process of extracting them from that situation. But for a snowstorm, I would have been in the municipality myself this very evening. With some co-operation from Manitouwadge, we think we will resolve the particular problem they find themselves in.

On your next question about capital funds being required for infrastructure, we will be watching very carefully the financial impact of the cost of the services, where those services have got to go and how many services go to each municipality because there is a great deal of competition between them. The last thing we want is to provide for all the miners in all of the municipalities in the area so that we will have three times or four times the facilities that are required. That is something we do not want to do.

There are funds available through Northern Affairs or the Ministry of the Environment. The capital costs ultimately reflect themselves in debt charges, which are part of the operating costs. These are supported to the extent of almost 50 per cent by this ministry's grant structure.

**Mr. Stokes:** So I can report to those three municipalities, two in my constituency and one outside, that they will be not left holding the bag?

**Mr. Breaugh:** You can do for them what you are doing for Hornepayne, with the Hallmark Town Centre, picking up their deficit.

**Hon. Mr. Bennett:** No. I did not pick it up.

**Mr. Breaugh:** Northern Affairs did.

**Hon. Mr. Bennett:** You are not talking to the Minister of Northern Affairs. To the best of my knowledge, I was not transferred today.

**Mr. Breaugh:** It might not be a bad idea.

**Hon. Mr. Bennett:** You and I can go into deep freeze then.

9 p.m.

**Mr. Stokes:** To be as brief as I can, there are not too many times—certainly in these days of recession—when we are faced with something

that is positive, that is going to broaden the economic base, that is going to benefit everybody in Ontario economically, but the thing is the way in which the money flows. It is not going to go right into the coffers of the municipality that is charged with the responsibility of providing the services.

I do not care what vehicle you use, whether it is through the Board of Industrial Leadership and Development or the regional priorities budget of the Ministry of Northern Affairs. I just want to remind you people that you have some responsibility for co-ordinating and I would like to be able to report to Cortolezzis and Springer and the fellow in White River that you are monitoring the situation and whatever help is needed will be forthcoming.

**Hon. Mr. Bennett:** In fairness to the performance of the government in the past, which I think is a great indication of the future, we have moved into those mining communities with special grant formulas and assistance. Even though in the budgeting—estimates and so on—there may not be all of those provisions, you know and I know there are supplementaries and everything under the sun that comes along to take care of those unforeseen.

In no way should we, as a government, at least the provincial level, discourage the exploration of and the opportunities of mining some of the resources of this province that have not just provincial and national use, but also international use. Indeed, if gold has been found in the province you have indicated tonight with the ultimate resource, a great deal of which would be sold offshore, I have to tell you those foreign dollars will not do the Canadian or the provincial treasury any harm.

We do have an obligation. I do not deny that. We have an obligation to make sure that those who go there to mine it are not left with an unbelievable debt.

**Mr. Piché:** This is democracy and good business.

**Mr. Chairman:** Mr. Piché is back.

**Hon. Mr. Bennett:** Where was Mr. Piché tonight?

**Mr. Stokes:** Do you not wish you had it on your doorstep?

**Mr. Piché:** I wish I had and I am looking forward to the day I will have it.

**Hon. Mr. Bennett:** I appreciate your comments, Mr. Stokes.

**Mr. Piché:** We have to work towards that and

get it going. There is the chairman trying to cut me off again.

**Mr. Chairman:** Mr. Piché, would you like me to put you on the speaker's list?

**Mr. Piché:** You would think you were part of the opposition the way you handle this committee.

**Mr. Chairman:** Mr. Haggerty has a question on the community planning program.

**Mr. Haggerty:** I want to deal with an issue I think is important to bring to the attention of the minister. That is the recent application for consent by the Canadian Imperial Bank of Commerce and DHL Co. Ltd. of Crystal Beach re land holdings in block EE in registered plan 81. That is in the township of Bertie.

**Hon. Mr. Bennett:** Excuse me, what township?

**Mr. Haggerty:** The town of Fort Erie, but it would be the township of Bertie under the old plan. If we are going to go back and celebrate the 200th anniversary of the province and its early settlers, I think I could refer to the township of Bertie.

**Mr. Chairman:** I remember it well.

**Mr. Haggerty:** I made representations on behalf of a number of constituents in my area who were deeply concerned about the application of consent that would divide up the amusement park in the village of Crystal Beach—or the hamlet of Crystal Beach; under the regional plan, I guess that is the way you would now phrase it.

The people were concerned that in the past they have always had access to the beach. It is a beautiful sandy beach, one of the best beaches in all of Canada. That is why Crystal Beach has arrived—

**Hon. Mr. Bennett:** Some bias.

**Mr. Chairman:** Now we have had the commercial plug.

**Mr. Haggerty:** People have always had access to it. They have paid a user fee for access to it. There was a road allowance, Schooley Road, which is closed off now by the municipality, denying the public access to it.

In the application, 70 acres of land would be divided up. It would create about five parcels of land through the request for the severances. There would be the beach and two parcels of land, including a number of cottages. One particular parcel was 11 cottages. In the other, I understand the decision now with provincial government involvement is that they have to bring in amendments to the official plan,

but it did not apply to the first severance.

I indicated that I appeared before the Ontario Municipal Board hearings where Mr. Lancaster, the vice-chairman, was the chairman of the day. I raised some objections to this severance because I did not think it applied to the intent of the official plan of the municipality.

As I addressed the chairman, I asked him if there were any representations from the elected people of the town, the municipal council. I received no response. I asked him, "Is the official town planning consultant present to represent the town?" I received a negative response to that. I asked him if anybody from the town was making representation from the planning staff. It was negative in that area. Nobody represented the town.

I had given my views and expressed my concerns about it, because I was opposed to it based on the reason that the public would not have been guaranteed access to the beach even with a user fee. I said it was in violation of the official plan.

Lo and behold, representation was made on behalf of the applicants by a firm of planning consultants. I was not aware of it. Anyway, I mentioned to the chairman of the municipal board afterwards that I objected to the method and procedure by which the hearing was handled at the board level. When I asked if there were any representatives from the town planning staff or the consultants, I received no reply.

Further on, at the tail end of the hearing, there was an expert witness who made representation on behalf of the claimants. They were representing the Canadian Imperial Bank of Commerce and the DHL Co. The man's name was Paul Pirie. After questioning him on it, I found out his firm was also representing the town of Fort Erie.

**Hon. Mr. Bennett:** The town?

**Mr. Haggerty:** That is right. I received a letter a day later at my constituency office in Ridgeway, but it was dated July 22, 1983.

It said, "Mr. Haggerty, I enclose a brochure sent to inform you of the new planning group which formally merges the planning staff of Miller, O'Dell, Paul, Urban and Rural Planning Consultants, Inc., and Philips Planning and Engineering Ltd." The original official plan was drafted by Philips Planning and Engineering Ltd., of Burlington.

It said: "Our enlarged group provides a broader range of experience and expertise which is in keeping with our objective to provide

comprehensive and cost-effective consultant services. Should you have any questions regarding our planning group, please do not hesitate to call or write.

"Yours very truly, Robert O'Dell and Paul Pirie, Philips Planning and Engineering."

When I received that brochure, it just rubbed me the wrong way. If I make an appearance before a body or a group at a hearing, I normally have to declare myself if there is any special interest. I am thinking of the municipal council, where there is a conflict of interest.

I took strong objection to it. I wrote a letter on August 12, 1983, to Mr. H. E. Stewart, Chairman, Ontario Municipal Board, 180 Dundas Street West, Toronto, Ontario, regarding application for consent of the Canadian Imperial Bank of Commerce, DHL Co., and Crystal Beach Land Holdings regarding block EE of registered plan 81. It said:

"Dear Mr. Stewart:

"I am deeply concerned about the hearing procedures pertaining to witnesses appearing before the Ontario Municipal Board hearing held at regional Niagara headquarters on July 28, 1983, that raise the question of professional conduct.

"During my testimony at the hearing I directed an inquiry to the hearing officer relating to any witnesses representing the town of Fort Erie, the members of council, the planning staff or the town planning consultant, Philips Planning and Engineering Ltd. The response to my inquiry was negative, but later on in the hearing, expert testimony was provided by Mr. R. C. O'Dell on behalf of the applicant.

**9:10 p.m.**

"On Friday, July 29, 1983, I received a letter from Miller, O'Dell, Paul, Urban and Rural Planning Consultants, Inc., postmarked July 27, 1983, which advised my office 'to inform you of the new planning group which formally merges the planning staff of Miller, O'Dell, Paul, Urban and Rural Planning Consultants, Inc., and Philips Planning and Engineering Ltd.

"I am strongly convinced that Mr. O'Dell showed a discourtesy at the hearings by not informing the hearing officer of the merger. I question the structure of his testimony and professional ethics. The concealing of such vital information is unconscionable. Based upon the above facts, the board must consider the biased testimony of Mr. O'Dell as inconclusive evidence and that the evidence given fully beclouds the issue of the application for consent.

"Your assistance in investigating this matter would be greatly appreciated. I look forward to hearing from you shortly."

I did receive a reply from Mr. Stewart. He advises me that I should take it up with the professional planners, their special self-disciplinary body. The point I want to raise with the minister is that when these hearings are held there should be a declaration of any conflict of interest by planners and others.

In particular in the application before the Ontario Municipal Board now, I have written a letter about Sherkston Beaches and I know the same firm of engineering or planning consultants has written for the town of Sherkston Beaches. You will probably get the same results there before the board where there is a conflict of interest with this one planning group playing both sides of the fence. I do not think that is fair to the general public. It shows you the questionable morality of the professional people in this area.

I happened to be on the select committee dealing with planning matters back in 1970. We covered a broad area of the province. I think the chairman at that time was Donald MacDonald. We travelled to a number of municipalities out west, Winnipeg, Victoria and places like that. Our recommendations were that there should be full disclosure of all matters related to planning, particularly in applications before the Ontario Municipal Board.

There must be an open-door policy that special interest groups who are playing both sides of the fence make declarations. In this case, the decision of the chairman at that time should never have been as it was. He did approve the application. Based on that, I suggest you take a closer look at the areas of conflict of interest, particularly with planning and engineering staff.

**Hon. Mr. Bennett:** We would have to go back and look at the case. I am sure not able to say tonight what the conflicts of interest happened to be.

For example, let us say the consultant retained by a municipality—forget about Fort Erie or anything—concluded his or her or their work. Let us say some six months later—it could be six days later—they are retained by you, for an example, to do a defence of a certain thing you want to do. Is there a conflict at that point? Is there a conflict? They are no longer under fee to the municipality. They did their job, they finished their job.

**Mr. Haggerty:** I have to disagree with the minister. The way the municipal planning staff operates in the town of Fort Erie is that when there is an application for severance for consent on a property, usually it is made to the planning staff of the town of Fort Erie. They have no planning staff—

**Hon. Mr. Bennett:** They have no land division committee.

**Mr. Haggerty:** —land division committee, okay. They might have a planning staff but not an actual planner.

What I am saying is, they usually make reference to the engineering or the planning consultants who prepared the official plan. They usually say, "We will receive their comments on application for consent first." When you have the same firm representing the town that represents the applicant for severance, I have to question the morality of the professional group.

**Hon. Mr. Bennett:** You would have to look at the situation in a very general way. As to the declaration of who you are under contract to at the moment, obviously I personally can see no reason why they should not declare it.

Mr. Farrow tells me he has known of situations similar to what you speak of, where a consultant working for the municipality or a client other than the municipality will be told by the municipality it has no objections to the consultant representing the individual or the private property owner. I will look into it. I have no knowledge of the incident you refer to.

I have known legal firms representing—

**Mr. Haggerty:** There is also that matter, but I do not wish to get into it.

**Hon. Mr. Bennett:** You do not want to hear anything about it because there are too many lawyers in the Legislature and not many planners.

**Mr. Chairman:** There are none here tonight, so we can talk about them.

**Mr. Haggerty:** It does raise the question about them playing both sides. You can have a planner come in from a municipality, do the official plan and prepare a zoning and restricted area bylaw, then two months down the road he is working for—

**Hon. Mr. Bennett:** Do not lose sight of the process. Even though I am a consultant making recommendations to the municipality, it does not mean the municipality is going to accept my recommendations.

I have served on a city council where a

number of recommendations put forward by consultants were rejected because we thought, from a political or a citizen's point of view, that the proposals were wrong. If the consultant is no longer working for the municipality, I do not think we have the right to restrict him with the declaration.

**Mr. Haggerty:** He is on a per diem rate. There is no doubt about it. They still refer problems with the official plan or rezoning restricted-area bylaws to him. He still acts as a consultant to the municipality.

**Hon. Mr. Bennett:** I think you are in a very difficult spot to suggest that because he is on a full-time retainer, he is available on a 24-hour basis, 365 days of the year, solely at the disposal of the municipality. I will look into the situation. I do not know the circumstances.

**Mr. Haggerty:** I will give you some of the background—

**Hon. Mr. Bennett:** If you would.

**Mr. Haggerty:**—and see that you get it. If you are going to have fair treatment before the OMB you will require full disclosure on this matter.

**Hon. Mr. Bennett:** If I was on the opposite side, I would soon make it known who the consultant or planner is representing.

**Mr. Haggerty:** If I had known, I would have taken a different approach at the hearing. I would have questioned their past involvement at that time, so everything was in the open. This is something I learned about hearings travelling with the select committee.

**Hon. Mr. Bennett:** I will look into it.

**Mr. Haggerty:** The report stated you must have full disclosure at all of these hearings. In this case, I think information was withheld. I just feel it has been rather harmful to the public who lose trust in the independence of this tribunal, the Ontario Municipal Board.

**Hon. Mr. Bennett:** I will have Mr. Farrow look into it.

**Mr. Chairman:** Will you get back to Mr. Haggerty?

**Hon. Mr. Bennett:** I said Mr. Farrow would look into it and see what the situation is.

**Mr. Chairman:** Thank you, minister. Are there any further questions on the community planning program?

**Mr. Breaght:** Let this vote carry so we can get at some other things.

**Mr. Chairman:** Thank you, very much. I am sure I appreciate that.

**Mr. Haggerty:** There are two areas where this ministry should be involved in community planning. These are Crystal Beach, before any more severances are given, and Sherkston Beaches.

I understand there is a deferred plan for Sherkston now before the Ontario Municipal Board. I believe they will be holding hearings in January 1984. Before there is any more discussion about planning, there should be a complete community plan undertaken for Sherkston.

**Hon. Mr. Bennett:** I can ask Mr. Farrow to review the situation. I am not sure whether or not there is a ministerial order which demands that any severance which might be approved still has to go through the minister's office. This has been the case in many areas of the province.

**Mr. Haggerty:** I suggest Mr. Farrow read the letter I sent to you about two years ago.

**Mr. Farrow:** Give me a call. I will get the letter out.

**Mr. Haggerty:** Can I bring the sledgehammer along too, to get your attention?

**Hon. Mr. Bennett:** In fairness to Mr. Farrow, there is no one more open and willing to meet with members of government and Liberal and New Democratic Party members and give the same unbiased opinion in relation to that problem.

**Mr. Stokes:** I can attest to that.

**Hon. Mr. Bennett:** Can you, Jack? Thank you.

Interjections.

**Mr. Stokes:** I would like to ask one question for purposes of clarification.

In the standard accounts classification, community planning advisory services, there is an item of \$275,000, assistance for administration of planning activities in unorganized townships that are part of a formal planning area.

I know this does not apply to the situation at Hemlo, because it is not part of a recognized planning area. Most of the development there, however, will be subject to the land use planning guidelines of the Ministry of Natural Resources, unveiled last June.

Is there any way you can set up a planning area in an unorganized territory, which is provincial crown land under a mineral lease to three companies and make assessments, on behalf of those municipalities, on a per capita or profit basis? This way, funds could be siphoned to those municipalities rather than having everything coming into the consolidated revenue fund and siphoning it out through the Ministry of Northern Affairs, your ministry, or through a

Board of Industrial Leadership and Development grant or something like that.

Have you ever contemplated this kind of thing to get economic grants directly from the industrial activity to the communities responsible for providing those services?

**Hon. Mr. Bennett:** The first part of it is whether we have done it. The answer is no. I believe Eric Fleming, through the municipal affairs portion of the ministry, has looked at it.

Mr. Stokes, we are always receptive to looking at new ways of doing things. As you can appreciate, however, unless you have an accountable body, you run into a lot of problems. We continue to look for a better way, where there is accountability. That is what we are always into, accountability.

I would never refuse an opportunity to continue to look for a better way. In fairness to Mr. Fleming's group—this is not the vote we are dealing with—in my short experience with municipal affairs I have found them to be a rather interesting group. They continue to look for other ways of achieving some degree of autonomy from municipalities that we have not in the past been able to give autonomy to, because of the election process and so on.

I am not rejecting your thoughts out of hand. I am just saying we have not yet found a way to keep the Provincial Auditor and everybody else somewhat onside.

**Mr. Stokes:** You have found ways of solving those kinds of problems in the more populated and less spacious areas by annexations, four or five of which have been announced.

**Hon. Mr. Bennett:** That is correct, when they are close at hand.

**Mr. Stokes:** Exactly. Now we have the same problem. Geography militates against that. At some point, maybe you will look at better ways of facilitating the provision of infrastructure and the wherewithal in order to provide it. That all.

Vote 2402 agreed to.

On vote 2403, real estate program:

**Hon. Mr. Bennett:** Real estate provides management and staff to the operations of the Ontario Land Corp. and its wholly-owned subsidiary, the Ontario Mortgage Corp. The merger of these corporations became effective April 1, 1982. The merged corporations' assets total \$1.1 billion, split almost equally between real estate and mortgage holdings.

The corporation is carrying on with its mandate of developing and marketing its residential,

commercial and industrial lands, as well as the administration of its mortgage portfolio. As I indicated to the standing committee on procedural affairs last year, it was developing a policy for the orderly disposal of lands, surplus to its long-term needs. That has now been completed and approved.

Lands will be made available, first—and I want to make this very clear—to other provincial ministries and/or agencies; second, to municipalities and regions; and, finally, to the public. Our aim is, and will continue to be, to maintain orderly market conditions and to ensure that these lands provide the best use and return to the citizens of Ontario.

This process is part of the overall marketing and development of our land holdings which, along with our mortgage operations, has been successful in both job creation and in revenue generation for the Treasurer of Ontario (Mr. Grossman).

For example, our renter-buy program resulted in more than 14,600 approved applications for new housing, generating more than 51,000 person years of work in the construction and related trades. The assistant deputy minister, Mr. Riggs, is here. He will be pleased to give you an overview on completion of my remarks.

The Ontario rental construction loan program has been equally successful. Applications that will generate in excess of 15,000 rental units in 68 Ontario municipalities have been approved.

To date, 11,835 units have been completed—  
Interjection.

**Hon. Mr. Bennett:** I just did not want you to miss it—and in addition 2,127 units have reached what they call the roof stage; in other words, they have the roof on. The remaining units are in various stages of construction.

In addition to providing needed rental accommodation, this program will generate, in total, some 52,000 person years of work.

The corporation projects sales of some \$32 million for lands in this fiscal year that will generate additional jobs in the construction and related industries.

With regard to mortgage operations, we have moved to maintain our portfolio and through effective management have had no need to reduce the portfolio by sales to other institutions.

I would add that during its first year of operation, the corporation paid to the Treasurer \$128 million in interest and principal. In addition, it had the opportunity of paying Canada Mortgage and Housing Corp. some \$12 million.

Now, Mr. Chairman, I think it might be wise if

I mentioned two things. We have two opportunities here. Mr. Riggs is the assistant deputy minister reporting for this particular division of the ministry. He can give us some overviews on the renter-buy program, the Ontario rental construction loan program and the various other aspects of land development and the mortgage corporation.

If you wish, we can also make a further presentation on some of the significant—I would not say all of them—land holdings we have in the province and how we intend to, over the next period, move towards their disposal, or retain them for long-term development in the interests of the people.

**Mr. Riggs:** I am not quite sure, Mr. Chairman, which aspect you would like to start on; the renter-buy program, which has been very successful and one of our major thrusts in the 1983-84 year, or the aspect of the policy regarding land disposals.

**Hon. Mr. Bennett:** You have Pauline Henderson here who might—

**Mr. Riggs:** Yes. I need some direction from the chair, Mr. Chairman, as to which aspect the members—

**Mr. Chairman:** Okay. Renter-buy please.

**Mr. McClellan:** Do you have a presentation on the Ontario rental construction loan program as well?

**Mr. Riggs:** I have a number of facts and statistics on that program to finish up.

**Mr. McClellan:** Okay. Great.

**Mr. Chairman:** I understood you had a question or two on that?

**Mr. McClellan:** Well, sure. I have a whole series of questions, but I think it would be helpful if we had the presentation first.

**Mr. Chairman:** Then some of them may be answered.

**Mr. McClellan:** I do not think so.

9:30 p.m.

**Hon. Mr. Bennett:** They may be answered, but not to your satisfaction.

**Mr. McClellan:** I can guarantee they will not be answered.

Interjection.

**Hon. Mr. Bennett:** I can tell you, there are a hell of a lot of taxpayers out there who sure have with programs we have implemented over the past couple of years. I can tell you, where you can get the number we have produced in the rental construction and renter-buy, there must

be somebody who was interested or we would not have any takers.

**Mr. Epp:** You are partially correct.

**Hon. Mr. Bennett:** Absolutely correct.

**Mr. Epp:** Partially correct.

**Mr. Chairman:** Maybe if we listen to Mr. Riggs, he might just solve this little debate.

**Mr. Stokes:** Why don't you be quiet and let him speak?

**Hon. Mr. Bennett:** Jack, I will take your advice.

**Mr. Riggs:** Mr. Chairman, members of the committee, the Ontario Land Corp. with its subsidiary, Ontario Mortgage Corp., has on a number of occasions acted as a delivery and administration agency for provincial government housing programs. One of these programs was the renter-buy program, which was announced in 1982 and has been developed from 1982-83 until now.

I would like to highlight the three elements of the program: communications, the administrative process, and the impact of that program on the province in terms of jobs and in terms of construction and its impact on the rental field.

In communications, our objectives were two-fold: to let the public know about the program; and, more important, to develop a process so anyone interested in taking advantage would be quite clear on eligibility requirements, price ceilings and the like.

When the program was announced in May 1982, the initial response was good. Shortly thereafter, a statement in the federal budget regarding interest rate relief caused a very noticeable slowdown in our program and in home buying in Ontario. This was despite a federal announcement that it would introduce a \$3,000 grant in addition to the \$5,000 interest free loan in the renter-buy program.

Keep in mind the objectives of renter-buy: to stimulate housing construction—and at that time you may remember that housing construction in Ontario and western Canada had decreased substantially from previous years—and also to stimulate job creation in the province and to induce apartment dwellers to buy homes. At that time, vacancy rates in many cities in Ontario were at an all-time low. That was one of the reasons this program was introduced.

The ministry took the initiative and my minister, Mr. Bennett, was continually meeting with representatives from the federal government, including CMHC, the industry—which is the Housing and Urban Development Association—

tion of Canada and Urban Development Institute—and ourselves. For the first time in many years, we developed what could be called a real example of co-operative federalism, provincialism and industry in that those senior levels of government agreed to pool funds and efforts for a common goal.

Equally historic is that the industry agreed to participate with us, not only financially but in terms of the total program.

With the ministry, particularly the mortgage corporation, taking on the active role, we developed a short but penetrating marketing communications program, using television and print media. A total of \$760,000 was budgeted. That is a lot of money. Of that, the industry put up \$100,000 and the two levels of government put up \$300,000 apiece.

Our contribution, as I have said, was \$300,000. That is approximately one half of one per cent of the total moneys of \$73.2 million allocated to the program.

During the time of its operation, the program approved close to 15,000 applications, with the staff augmented by a number of contract employees for a short period.

Because of our communications program, the number of applications which have been declined because the rules and regulations were not adhered to is less than 0.002 per cent. So the program paid off in that people understood the rules and had their interest-free loans approved.

What did we accomplish? In terms of loans—his is as of November 30—14,668 new homes were purchased, 8,343 apartments were freed up, and the number of first-time home buyers was 6,325. According to our survey, many of these home buyers would have probably entered the apartment market because of their incomes.

The average purchase price of a home in the Toronto census area, which includes Metropolitan Toronto, parts of Mississauga and Durham, was \$100,000; for the rest of the province it was \$80,000. Based on the application breakdown, the split between these two designations was almost 50-50; half were purchased in the Metro census area, the balance in the remainder of the province.

The provincial investment of \$73 million, in the form of interest-free loans, generated \$1,325 million in construction activity. The program was also a job creator. We estimate the 14,600 homes purchased created more than 51,000 person years of work in construction related activities.

The province also tackled the Ontario rental

construction loan program problem during the 1982-83 period. This program has approved 15,039 rental units in 67 municipalities. One municipality has experienced problems with a project and we have temporarily taken it off the list; it may come back on again.

Because the interest-free loan was tied to the interest rate, the loan ranges from \$4,200 to \$6,000 per unit. We have completed and advanced 11,835 units. We have also advanced \$63,829,000 to date, for an average of \$5,393 per unit.

We have in various stages of construction 3,204 units which still have to come on stream. Two thousand of these will probably be completed this spring.

I have lists for each municipality indicating the total number of units approved, completed and under construction.

**Mr. McClellan:** I wanted to talk about the financial implications of the program.

I have had the opportunity to look at a couple of studies concerning the Ontario rental construction loan program. One of which was completed under the auspices of George Cook, head of the city of Toronto's Cityhome program. The other study was done by David Prochanski, of the Centre for Urban and Community Studies at the University of Toronto. Both studies tried to assess the actual cost to the taxpayer and the principal beneficiaries of the ORCL program.

9:40 p.m.

I think we are all impressed by the number of starts achieved under the ORCL program. I have not yet had a chance to look at the distribution of the projects. I will come back to that once I have had a chance to look at it.

I just wanted to ask some questions about the actual costs. I am sure Mr. Riggs will be able to help me. Mr. Riggs, have you seen the study that George Cook did for the neighbourhoods committee of Toronto city council, back in May 1981? Does that study ring a bell?

**Mr. Riggs:** No, it does not.

**Mr. McClellan:** The subject of the study is Housing Subsidies to Private Developers. Has no one in the ministry had a chance to review this study?

**Hon. Mr. Bennett:** The one you are referring to is from what year?

**Mr. McClellan:** From 1981.

**Hon. Mr. Bennett:** Somebody likely had an opportunity to look at it in 1981, or whenever it was issued. I am not so sure we have brought

ourselves up to date. I think there have been subsequent reports by both Mr. Cook and various other groups, representing the housing requirements of Metro Toronto and the rest of Ontario.

**Mr. McClellan:** What we are looking at is trying to get some understanding of the total costs.

**Hon. Mr. Bennett:** Mr. Cook's position has changed; even in six months it has changed.

I do not want to get into a controversy here now, but I recall about six, seven or eight months ago saying, "Mr. Cook, trying to develop in downtown Toronto is not really"—

**Mr. McClellan:** That is not what I am talking about. I will come back to that. I am not trying to avoid that discussion.

**Hon. Mr. Bennett:** I did not say you were.

**Mr. McClellan:** I am just trying to talk about a very specific issue, and that is the total subsidy cost of ORCL.

**Mr. Riggs:** I am aware of those studies. There are similar studies which have been done along those lines, and I assume George Cook was looking at the total spectrum of all subsidies, indirect and direct.

**Mr. McClellan:** That is right.

Let me review, for the purposes of our discussion here, what Mr. Cook's conclusions were in May 1981. They were based on a computer simulation. It seems to have been accepted, at least within the academic community, as a reasonably accurate estimate of the total subsidy costs, as Mr. Riggs correctly says, direct and indirect.

"Table 3, in the tactical appendix, presents a comparison in subsidies available to private developers and nonprofit developers, over the life of the ORCL program assistance. At the 55 per cent tax rate common for multiple-unit residential buildings investors, the total private subsidy is the equivalent of a \$30,669 per unit grant, compared with a nonprofit building subsidy of \$31,438 per unit."

Then he goes on to explain how he arrives at that figure: "The private subsidy, that is to say the \$30,669 per unit grant of direct and indirect tax expenditures, is comprised of an ORCL program subsidy of \$4,529 per unit and the MURB tax reductions and deferrals. The large tax write-offs available to a MURB investor in the first two years of operation account for almost one half of the total subsidy to a private developer. The actual subsidy for a specific project would depend on the tax bracket of the

investors. The nonprofit subsidy would vary only as the interest rates of operating costs change."

Then he goes on, and this is the nut of the thing: "If the 1,319 ORCL program sponsored units being built in Metro Toronto were built at costs comparable to the ones used in this analysis, the total subsidy for private developers would be \$40,452,411." That is, \$40.4 million. "If the same units were produced by nonprofit developers"—and here he is talking about the subsidy arrangements available under subsection 56(1)—"the total subsidy would be \$41,466,722."

You have an analysis here that suggests the costs of the ORCL program are within relatively close range of the cost of nonprofit social housing programs that are built under subsection 56(1). That is what George Cook has said.

David Hulchanski of the urban studies department at the University of Toronto has come up with the same analysis and the same conclusions, that the costs of the two programs are basically identical in terms of the kind of money that taxpayers are putting forward.

The big difference is that one represents investment for public assets, which remain in perpetuity in the public domain, and the other represents a massive transfer of public funds to private sector developers.

I do not have my little calculator here, but I have estimated that the total cost of your 15,000 units, under ORCL, if that analysis is accurate—

**Hon. Mr. Bennett:** Which analysis?

**Mr. McClellan:** The Cook-Hulchanski analysis.

**Hon. Mr. Bennett:** You have to look at another step down the way.

**Mr. McClellan:** Let me just finish the thought—

**Hon. Mr. Bennett:** You missed one major important step.

**Mr. McClellan:** No, I did not. About \$440 million of taxpayers' money is involved in the ORCL program. Obviously this is not the cost to the provincial taxpayers. We are talking about the direct and indirect cost to the taxpayers; the moneys that were put forward in the form of a subsidy from the provincial government. That was stacked on top of the existing tax expenditures and write-offs, etc., which are available under various federal programs and which are itemized in the most recent tax expenditure documents put forward by the federal government. The bottom line is still the same.

**Hon. Mr. Bennett:** The multiple-unit residential buildings program wasn't.

**Mr. McClellan:** MURB?

**Hon. Mr. Bennett:** That is what you were talking about; a MURB.

**Mr. McClellan:** Yes.

**Hon. Mr. Bennett:** I did not see it as one of the itemized items under the recent federal government's discussions.

**Mr. McClellan:** These are deductible items which are available to your ORCL project sponsors, according to the two analyses I am citing. So you get a total tab to the taxpayers of something in the vicinity of \$440 million. I am just asking whether the ministry has had an opportunity to look at these studies and come up with its own assessment of whether it accepts the conclusions set forward in there. That is my initial question.

9:50 p.m.

**Mr. Riggs:** The calculations based upon those kinds of assumptions are probably quite correct. There is one flaw. In terms of the nonprofit housing, those subsidies go on with no recovery. The asset is retained by the nonprofit corporation.

In the case of the MURB, the major part of the assistance, under the analysis—and there have been five or six of these analyses done as I can remember—is a postponement of tax. Eventually, much of that subsidy is recovered. When the properties are sold and the MURBs are packed in, the federal taxpayers recover those funds. In the case of provincial, interest-free loans, they are also recovered at some point. Our loss is essentially the interest during the period it is interest-free.

In weighing up the figures, as both these reports have done, I cannot quarrel with those figures, because the assumptions lead you to that particular conclusion. There is, however, that one difference.

**Hon. Mr. Bennett:** This is the one thing we miss in the calculation. If the individual buys under the Ontario rental construction loan program or a MURB program, there comes a day when he/she has to face the Canadian tax system if there is a taxable capital gain.

Why do we have MURBs? Was it not an attempt to break loose money held by individuals, so they would invest in the rental industry and the government did not have to put it all up?

You missed the federal government's Canada rental supply program, which is blowing their minds. Here we have the government now into 12,000 or \$15,000 per unit. With MURBs, we're able to extract money from the private sector that normally would have gone into investments other than rental use.

In the final analysis, when they sell it, as most of them do after a period of time, they have a little thing we all dislike, known as capital gains.

**Mr. McClellan:** I am familiar with the argument and the little section that I skipped in the report reads as follows.

"The claim is often made that the capital cost allowances (CCA) depreciation allowed for MURBs does not represent a subsidy because it is repaid when a building is sold." That is exactly what Mr. Riggs have just said.

"In fact," the report goes on to say, "the capital cost allowance is repaid only if resale generates sufficient profits to cover the capital cost allowance. The tax saved by the capital cost allowance is the same as an interest-free loan from the government until recapture of the capital cost allowance. In this analysis, if all the capital cost allowance were repaid after taking full advantage of ORCL, the total subsidy would be reduced by only \$661."

**Mr. Riggs:** One of the problems the federal government has always had with MURBs is trying to ascertain their true cost. You are quite right. At times of inflation, buildings are sold for profits and there are capital gains. At other times, there are no capital gains and they are turned over without a profit.

Any study based on a model will produce certain results. Only the tax person's practical experience can prove or disprove this kind of statement.

**Mr. McClellan:** There is a great deal of evidence which supports the argument that programs such as ORCL represent a tremendous public subsidy to the private sector. I am not talking about the amount of money Ontario puts into the program. You yourself, minister, have always said you cannot isolate Ontario's share of the tax contribution; you have to look at the total picture and include federal and provincial contributions. This is exactly what I am trying to do.

Our evidence suggests the ORCL program is as expensive as the social housing programs.

**Hon. Mr. Bennett:** Not to the province.

**Mr. McClellan:** No, to the taxpayer. As you always say, the taxpayer is the taxpayer, whether he wears his provincial hat, his federal hat, or both hats at the same time.

**Hon. Mr. Bennett:** I have been very cautious about recognizing my direct financial responsibility.

**Mr. McClellan:** This is not the case in the real

world. I pay my taxes to one source. I do not pay my provincial tax and my federal tax—

**Hon. Mr. Bennett:** There are two forms. We do it to cut down the administration costs and save money.

**Mr. McClellan:** Let me get on to the next point.

**Hon. Mr. Bennett:** Good.

**Mr. McClellan:** I think the evidence is there, quite frankly. We can disagree about it.

**Hon. Mr. Bennett:** You will appreciate the fact that it is like saying that once we ran out of allocation from the federal government we should have said: "To hell with it. We will not put in our Ontario rental construction loan program at the provincial level."

**Mr. McClellan:** No, you know what our position is. I tried to make it very clear in my leadoff. If you are going to expend public funds for the development of housing, you should be doing it in the nonprofit sector.

Quite frankly, I do not see any point in spending hundreds of millions of taxpayers' dollars, whether they are provincial dollars or federal dollars, to increase the equity position of private citizens. It does not make any sense.

With a redesign of the program, you can spend the same amount of money to enrich the stock of housing that is available in the nonprofit community sector. It just does not make any sense to me. They are corporate welfare bums. They are social welfare programs for very affluent people in the business community.

I do not care how you want to describe it. Any time you provide moneys on a partnership basis, acknowledged to be in the vicinity of \$400 million plus for the construction of 15,000 units of rental accommodation that end up in the ownership of private citizens, you are talking about social assistance programs that benefit a segment of the population.

Perhaps there is no means test—you do not have to go down to the welfare office and apply for the benefit—but the benefit is as real as it is for a welfare recipient. They receive a benefit from the government of Ontario that is paid by the taxpayers of this province. That is just what is happening.

My other problem is the number of units within the ORCL program which, as I say, is as expensive in dollar terms as the social housing programs under subsection 56(1) that were supposed to set aside 20 per cent of the units for rent supplement purposes.

According to the figures that the minister has

provided this evening—we will adjust them downward; of the 15,039 units that have been constructed under ORCL—

**Hon. Mr. Bennett:** That are under construction. More than 11,800 have been completed. What is the number I gave you?

**Mr. McClellan:** That are on the market, yes. It says, "Completed and fully advanced, 11,835." I assume that means 11,835 units are on the market. Is that correct?

**Mr. Riggs:** That is correct.

**Mr. McClellan:** A total of 992 units were taken up under the rent supplement program. Out of 11,835 units, 992 have been made available for rent supplement purposes.

I do not have my little pocket calculator here with me, and I am not very good at math.

**Hon. Mr. Bennett:** It is 40 per cent.

**Mr. McClellan:** That is 40 per cent, is it?

**Hon. Mr. Bennett:** Of the maximum, if I figured it out right. No? Go ahead, Mr. Riggs.

**Mr. McClellan:** Your math is worse than mine.

**Hon. Mr. Bennett:** No, hold on.

**Mr. McClellan:** I have just under 10 per cent. Is that right?

**Hon. Mr. Bennett:** You have 11,835 completed units, is that right? The maximum available to us at 20 per cent would be 2,307 units?

**Mr. Riggs:** That is correct.

**Mr. McClellan:** Right.

**Hon. Mr. Bennett:** Let us say 1,000 units out of 2,300 is somewhere in the 40 per cent range.

**Mr. Breaugh:** What? I want to sell you a lot. I have a lot in south Florida that you should buy which you will love.

**Hon. Mr. Bennett:** Take four times 230 and tell me what you get.

**Mr. McClellan:** This is "Fun with Figures."

**Hon. Mr. Bennett:** I said 40 per cent are maximum potential rent-geared-to-income units. Listen to what is being said.

**Mr. McClellan:** You have 11,835 units on the market. You have about 1,000—I will take your figure—that are available for rent supplement. That is 10 per cent of the total units on the market available for rent supplement.

**Hon. Mr. Bennett:** Yes, but if you follow what I said—

**Mr. McClellan:** I do not. I do not accept that because that is absolute, flagrant, preposterous nonsense.

**Hon. Mr. Bennett:** You cannot calculate then.

10 p.m.

**Mr. McClellan:** You have 11,835 units, and 1,000 available for rent supplement. Now that is not 20 per cent. I doubt even if your own officials are going to—

**Hon. Mr. Bennett:** I am right. You do not understand what I am talking about, but that is okay.

**Mr. Riggs:** There are 20 per cent available at all times. Under the mortgage, which we take back, one of the requirements is that the owner must always make up to 20 per cent of the units available to a housing authority, depending upon the demand at any time.

Some of these units may be completed, and the housing authority may still be negotiating for some of them. In other cases, the housing authority may have declined them initially because of the unit count or size, but they are still available as vacancies occur. So the 20 per cent at any point could be up to 20 per cent or less. At the moment, it is less than 20 per cent, but that availability is always there.

**Mr. McClellan:** Again, this speaks to the third and final point I want to make. I have a wonderful article from the *Toronto Star* of March 16, 1981—

**Hon. Mr. Bennett:** That is a long way back.

**Mr. McClellan:** I have a long memory. Let us leave that for the next day.

**Hon. Mr. Bennett:** March 17 was a much more enjoyable day. As an Irishman, I fully—

**Mr. McClellan:** I can identify with that. Maybe this would be a good time to break. If I could continue this line of questioning, I will not feel—

**Mr. Chairman:** Yes. Perhaps the clerk could find out what that bell is; it seems to be 15 minutes early.

**Mr. McClellan:** I am sorry. As lordly whip, I need to go and do my weekly one, two, three.

**Interjection:** I would suggest—

**Mr. McClellan:** You want me to call a quorum?

**Mr. Chairman:** What? For this committee?

**Mr. McClellan:** I would like to be able to pursue this line of questioning.

**Hon. Mr. Bennett:** About March 16, 1981?

**Mr. McClellan:** I cannot do it right now.

**Mr. Chairman:** It is a challenge to the Speak-

er's ruling. The clerk is going to find out how long the bell will be.

**Mr. McClellan:** Good. Let me just continue then.

The article is headlined "Aid Schemes Could Bring Metro 10,000 Rental Units." This was the puff piece that was being used by people in the private sector to signal their enthusiasm for the ORCL program. My understanding was that the ministry was a little less extravagant in its promises with respect to Metro.

**Hon. Mr. Bennett:** We usually are. We are very conservative.

**Mr. McClellan:** How many units did you predict for Metropolitan Toronto?

**Hon. Mr. Bennett:** About half of what I was predicting for the province.

**Mr. McClellan:** About 7,000?

**Hon. Mr. Bennett:** Somewhere in that range. I was not far off, either.

**Mr. McClellan:** Again I do not have my pocket calculator with me, but I always think of Metropolitan Toronto as the municipality of Metropolitan Toronto. I do not think of it as everything between Ottawa and Windsor, or even between Oshawa and Brampton.

**Hon. Mr. Bennett:** If you listened to what Mr. Riggs said, we have to take it on the Canada Mortgage and Housing Corp. districts. I did not design them.

**Mr. McClellan:** I understand that. Do you know the boundaries of the municipality of Metropolitan Toronto?

**Hon. Mr. Bennett:** I have a rough idea.

**Mr. McClellan:** You do? "Toronto and district" is the city of Toronto, I assume. Or is that the whole of Metropolitan Toronto.

**Hon. Mr. Bennett:** I am not reading the article; you are.

**Mr. McClellan:** No, I am reading your little handout.

**Mr. Riggs:** There are 10 units in the city of Toronto.

**Mr. McClellan:** In the city of Toronto you have 10 units—10, count them, 10—North York 757, and Scarborough 401. That seems to be the total for the municipality of Metropolitan Toronto. I do not have my pocket calculator here, but it does not appear to be 10,000 units.

**Hon. Mr. Bennett:** I did not say 10,000.

**Mr. McClellan:** It does not appear to be 7,000 units. Gee whiz, it does not even appear to be 2,000 units.

**Interjection:** A couple here in Mississauga; a couple here in Markham—

**Mr. McClellan:** Mississauga is another community as far as I know; it was before I came into the room tonight. Mississauga is not part of the municipality of Metropolitan Toronto. Neither is Brampton, Tottenham or Wawa, in case you are not aware of that.

Whom are you trying to kid? You have made promises with respect to your ability to deliver affordable housing under this program for Metropolitan Toronto, where we have an acute housing crisis, and you have not delivered.

To go back to the point Mr. Riggs was making, you have 20 per cent of your units available for rent supplement, but you have not been able to build the units in the communities that have the acute housing need. I really do not understand how that is helping to solve the housing crisis.

I understand the arguments you are making with respect to job creation and the provision of supply, but you could supply exactly the same number of units, you could create exactly the same number of jobs and you could have the additional achievement of locating essential, affordable housing within the communities that have the most acute housing need.

In other words, you could target the housing effectively, instead of ineffectively, by geographic community. Secondly, you could target the housing to groups in the communities in the province who have the most acute need if you were running this kind of incentive program as a social housing program, as a top-up to subsection 56(1).

It seems to me that you have missed—

**Hon. Mr. Bennett:** Can I ask you what you mean by a “top-up to subsection 56(1)”?

**Mr. McClellan:** I went through that in my leadoff.

**Hon. Mr. Bennett:** I still do not understand what you mean by a “top-up.” I do not know of any provision for a “top-up.”

**Mr. McClellan:** You would have to create a separate program.

**Hon. Mr. Bennett:** Just a moment. You get the idea that all of a sudden we can walk in and say to CMHC, “We are now going to change your policy.” They are the mortgage holder. They are committed to the mortgage. We do not have the flexibility to say to the federal minister that we are going to top up subsection 56(1).

There are clear-cut conditions set down under subsection 56(1) which start with a maximum unit price.

**Mr. McClellan:** Yes, I know.

**Hon. Mr. Bennett:** They are clearly set down by CMHC. I am not sure what you mean by “top-up.”

Let me try to answer one or two questions. First of all, I would like to—

**Mr. McClellan:** I am the whip. I have to make sure our people are there for the vote.

**Hon. Mr. Bennett:** I am their leader, I must follow; is that what you are trying to say?

I want to make one point clear: it was not a promise; it was a projection of our ability with the private sector to try to produce units. It was not a promise. I think you will admit that.

You can read that article again, then come back here next Tuesday, or whatever day we are meeting, and I will be pleased to get involved. Since you quoted George Cook so freely tonight, I thought you might want to quote him on this issue as well.

**Mr. Chairman:** This committee will now adjourn and reconvene at 8 o'clock on Tuesday next.

The committee adjourned at 10:08 p.m.

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### From the Ministry of Municipal Affairs and Housing:

Farrow, G. M., Assistant Deputy Minister, Community Planning  
 Fleming, E. M., Assistant Deputy Minister, Municipal Affairs  
 Riggs, R. W., Assistant Deputy Minister, Real Estate Wing









No. R-24

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# Hansard

## Official Report of Debates

### Legislative Assembly of Ontario

**Standing Committee on Resources Development**  
Estimates, Ministry of Municipal Affairs and Housing

**Third Session, 32nd Parliament**  
Tuesday, December 13, 1983

Speaker: Honourable John M. Turner  
Clerk: Roderick Lewis, QC

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# LEGISLATIVE ASSEMBLY OF ONTARIO

## STANDING COMMITTEE ON RESOURCES DEVELOPMENT

Tuesday, December 13, 1983

The committee met at 8:04 p.m. in room 228.

### ESTIMATES, MINISTRY OF MUNICIPAL AFFAIRS AND HOUSING

(continued)

**Mr. Chairman:** Committee members, I see a quorum and we are ready to start our evening's activities. When we departed last Thursday evening, I believe Mr. McClellan had the floor, talking about—

**Mr. Epp:** He was trying to sweet-talk us, are you saying?

**Mr. Chairman:** We were on community planning, were we not?

**Mr. McClellan:** On land operations.

**Mr. Chairman:** On the real estate program.

**Mr. McClellan:** I had basically finished. I had made the points I wanted to make around the Ontario rental construction loan program.

**Hon. Mr. Bennett:** Before we get into tonight's session, I wanted to make one request of the committee. Our session tomorrow morning, at whatever time it commences, at seven o'clock, 7:30, eight, 8:30, nine, 9:30—

**Mr. Chairman:** At 10 o'clock.

**Hon. Mr. Bennett:** Get up out of bed early tomorrow morning, just for a change.

At 12 o'clock the official opening of the bicentennial takes place in the rotunda or the main lobby.

**Mr. Breagh:** We do not want to miss that.

**Hon. Mr. Bennett:** That grandiose kickoff—

**Mr. Epp:** That sounds good to me.

**Hon. Mr. Bennett:** The investment back in sales tax, travel tax and all the other things will more than compensate the treasury for whatever the activities happen to be.

**Mr. Epp:** I am sure.

**Hon. Mr. Bennett:** Indeed, your forefathers and mine would be delighted to think we were recalling their historical values to the development and economic expansion of Ontario.

**Mr. Epp:** They would probably question the cost and the year that it was held.

**Mr. Breagh:** They had seven years in which to develop this state.

**Mr. Epp:** I understand they flipped and they came down and figured the election was 1985 and that was when they were going to have the bicentennial.

**Mr. Chairman:** No, in 1984.

**Hon. Mr. Bennett:** I just heard the Minister of Intergovernmental Affairs (Mr. Wells) talking about 1986 today and I could not figure out the significance.

**Mr. Epp:** It is strange things happen the way they do.

**Mr. Breagh:** So, anyway, your point is—

**Mr. Chairman:** The point is we do have a list.

**Mr. Epp:** We do want to help you along with no cost to government. Let us start at 9:30.

**Hon. Mr. Bennett:** Well, 9:30 or 8:30 or even seven o'clock is fine with me. I am not difficult.

**Mr. Chairman:** I think 9:30 sounds much better.

**Hon. Mr. Bennett:** Does it? Okay.

**Mr. Epp:** I have another meeting at nine and I think it may be over by 9:30.

**Mr. Chairman:** If 9:30 is agreeable with everyone, we will start at 9:30 so we can adjourn at 12 o'clock.

**Mr. Epp:** May I raise another point while we are here?

**Mr. Chairman:** Procedurally, while we are on times, we just have tonight, tomorrow morning and Thursday evening. I guess we have a vote tonight at 10:15. I wonder whether the committee is agreeable to suspending our operations Thursday evening at whatever time is necessary, 10:15 or 10:30, depending on whether there are votes on Thursday, and considering our estimates completed.

**Mr. Epp:** We could even start a little earlier on Thursday if you want to. I am game.

**Mr. Breagh:** The only difficulty I am having is that we are a little on the jammed side. You may have had a pleasant afternoon, but I took four bills through the Legislature this afternoon and seven through the caucus this morning and I do not have a lot of time to horse around with. We can start at 9:30, and that is no big problem. The dinner hours are a little on the booked side.

**Mr. Epp:** The other matter I wanted to raise is that municipal affairs is only one vote, yet municipal affairs takes up a good part of the ministry. I was wondering whether we wanted to allocate a little more time for municipal affairs.

**Mr. Breagh:** I would like to.

**Mr. Epp:** More than one evening, on Thursday night. I was wondering if maybe we could get into it tomorrow evening, at least by nine o'clock or something of that nature.

**Mr. Breagh:** I was even hoping that maybe by the end of this evening we could do the next two votes so that we would have at least tomorrow and perhaps some time Thursday evening for municipal affairs. Is that agreeable?

**Mr. Epp:** We could try to head for that. I am not sure we would get there for sure but we might. I have some questions on vote 2403. If we get all the right answers quickly, it is just a matter of going through them very quickly, so it will not take us long.

**Mr. Chairman:** Shall we consider ourselves ready to move into municipal affairs by mid-morning tomorrow?

**Mr. Epp:** At the latest by mid-morning.

On vote 2403, real estate program:

**Mr. Chairman:** Mr. McClellan says he has completed. Does the minister wish to respond to Mr. McClellan's concerns?

8:10 p.m.

**Hon. Mr. Bennett:** Mr. Chairman, one of the things Mr. McClellan commented on was Mr. Cook and some of his comments over the last year or two or three. If we all follow Mr. Cook's remarks of the last year or two, we find there is quite a variance in his positions on the development of nonprofit housing and where they should be located in Toronto and the Metropolitan Toronto area.

I am not about to start getting into an argument with him. Those are opinions he obviously gives to his employers, who happen to be the Cityhome concept here in the city of Toronto, and to the members of the Toronto city council. We went through this very subject carefully with Mr. Cook last January and February as to some of the problems we were going to encounter in trying to develop some of the type of housing he wanted—the rental problems, the cost problems, the land cost problem and so on.

I think he now has come round to the point that to try to develop housing in that moderate-income level in a downtown community, he

would actually get blown out of the ball park. We do not argue with him. Unless the people of Ontario and Canada are prepared to go for a very substantially higher underwriting of individual units, we really cannot succeed in fulfilling—as he has said, not I—the nonprofit program in the downtown area and satisfying all the markets we were originally supposed to be zeroing in on.

I am not sure I have anything further to say. Mr. Riggs, do you have anything you wish to add to Ross's remarks?

**Mr. McClellan:** I was not talking specifically about the concern George Cook has raised. I know what has become of the Asquith problem. It has become the Asquith project. It has become a really difficult issue because of the price of land in the city of Toronto. As to what the future is for social housing within Toronto city, I do not have any bright ideas, quite frankly.

**Hon. Mr. Bennett:** We have run into the same problem. Let me just caption one of the situations we are into at the moment. Under the Canada rental supply program, which had great difficulty in being accepted by the private sector, the federal government said that one third of the units developed under CRSP were to be made available to the local housing authority, whether it be in Ontario or other jurisdictions across this country, for people on a rent-gear-to-income basis.

That sounds fine and dandy until you start doing an analysis of the situation. When we had the Ontario rental construction loan program, we put a ceiling on the capital cost of the unit. Then it granted an interest-free loan and brought the unit down to a more realistic capitalization level.

Under CRSP we had nothing to do with the approval, and I am not trying to be critical, other than to say that the units were built to a standard considerably greater than what the nonprofits happened to be. They were built to a standard of a condominium, so that some time down the road I suppose they could convert it from a rental to a condominium operation.

When we started getting involved in discussions—we being the housing authorities across Ontario—all of a sudden we found we were into a whole different rental scale than no one really anticipated. The rental factor was considerably greater because capitalization was higher and so on.

There are some arguments taking place in this community and other communities across

Ontario where CRSP is located. Some housing authorities do not want to get involved—it is their choice—mainly because the subsidy per unit has become astronomical. In other communities, some of the housing authorities said, "We couldn't care less what the subsidy is; we need the units." I think there has been a great—I don't wish to use the words "lack of communication"—lack of appreciation for the type of unit that should be made available on a rent-geared-to-income basis.

When you get into some of these luxury units, I am sure the support grant from federal and provincial governments will be, to the members who are asking the questions, somewhat annoying.

**Mr. McClellan:** This is what I see as one of the strengths of subsection 56(1) of the National Housing Act, that there are maximum unit prices set by CMHC and there is an opportunity—

**Hon. Mr. Bennett:** And you live with them.

**Mr. McClellan:** —to control the costs of that portion of the development that is subsidized. I think that makes a lot of sense.

**Hon. Mr. Bennett:** I have asked Mr. Roméo LeBlanc, the federal minister reporting for the Canada Mortgage and Housing Corp., who does the allocation, to give more consideration to subsection 56(1) of the National Housing Act and the number of units being provided or available to us for municipal nonprofit and so on. I have also suggested to Mr. LeBlanc that if we do not take the units up under the Canada rental supply program because of the heavy cost, he should allow us to take the same number of units that would have been made available under that program and transfer them into some other project or units in the community. We have had a nil answer—not a no answer but a nil answer.

I do not disagree that if we are going to get in under programs like the Ontario rental construction loan program, we get into a maximum capitalization per unit, so we kept them somewhat within a price range such that one could afford to handle them under a rent-geared-to-income program.

**Mr. McClellan:** We will come back to that point around subsection 56(1) when we get to community housing, but I still think Ontario's position with respect to the federal government has been substantially weakened because of its failure to provide a fair share of matching funds to the subsection 56(1) program.

If you are going to go back to the table with Mr. LeBlanc, I think you had better go back

with some indication that Ontario is prepared to increase its share of the program so it becomes more of a traditional federal-provincial partnership. Again, this is probably not the vote on which to discuss this; we can do that when we get to vote 2404 or 2405.

**Hon. Mr. Bennett:** Our move this year to the 35 per cent supplement plus five per cent for handicapped units puts us into a greater subsidy program. I want to remind the members that the agreement we got involved in back in 1978 was cast by the federal government, not by us. When I say "us" I am referring to all 10 provinces, not just Ontario. They put it together. They are the ones that knew because we kept saying to them, "You are going to be the first in." That was the position they wanted politically.

**Mr. McClellan:** If you look at the share that Quebec has put into these programs and compare it with the share Ontario has put in, we are talking about cheese and chalk.

**Hon. Mr. Bennett:** If you look at the number of units Quebec has for rent geared to income in the province, which is 43,000 units, versus what we have in Ontario, which is well in excess of 100,000 units—and there is a difference in population of less than two million—I would think our per capita ratio of housing is considerably better than Quebec's and our overall cost to the people of this province is considerably more.

**Mr. McClellan:** Let's come back to this. I do not want to get into that vote when we are in—

**Hon. Mr. Bennett:** That's fine. I won't argue with that.

**Mr. McClellan:** But we will come back to it.

**Hon. Mr. Bennett:** Whatever you say.

**Mr. McClellan:** Sure we will. We will pursue precisely this point.

**Mr. Epp:** Mr. Chairman, by the way, I have not received my Woods Gordon report yet. I presume we are going to be getting it very shortly. It was promised to me last Tuesday, I think. I appreciate getting the Price Waterhouse report, but I have not got the other one yet.

I have some questions. We have tried to get some information from the ministry on the Ontario Land Corp. as to the accounting system you are using there. I would like to direct some questions to Mr. Riggs that maybe he can—

**Hon. Mr. Bennett:** May I interrupt just for a moment? Did you want to see the slide presentation on the land corporation?

**Mr. Epp:** Yes.

**Hon. Mr. Bennett:** I think it might answer or draw out some of the other things you would like to see. Is this the right time, Mr. Riggs, to go through that?

**Mr. Riggs:** The member is directing his question to our accounting policies rather than—

**Mr. Epp:** If you want to show the slides first, I would be glad to see them.

**Hon. Mr. Bennett:** I just thought we might want to put the land thing all together into one package, and this might be the opportune time to do it.

**Mr. Epp:** I do not think it is going to change my questions, but I would be glad to see it.

**Hon. Mr. Bennett:** No, I would not want to suggest that.

**Mr. Chairman:** Before we have it, Mr. Riddell, your question is on the real estate vote, is it?

**Mr. Riddell:** Yes.

**Mr. Chairman:** Do you want to see the slide presentation on the land corporation first, or do you want to ask your question first?

**Mr. Riddell:** That will be fine.

**Mr. Epp:** Do we have to pay admission, or is this free?

**Mr. Chairman:** We are already in the door.

**Mr. Epp:** What about our popcorn?

**Hon. Mr. Bennett:** No, that is next year. We are going to have Popcorn.

**Mr. Epp:** I don't think Bernie would appreciate that if he were here.

**Mr. Breaugh:** I hope you didn't pay somebody for that.

**Hon. Mr. Bennett:** No, Michael, but I know you will use it some day yourself.

8:20 p.m.

**Ms. Henderson:** Mr. Chairman, minister, members of the committee—

**Hon. Mr. Bennett:** Excuse me. This is Pauline Henderson, who is with the Ontario Land Corp. and works with Mr. Riggs.

**Ms. Henderson:** Thank you, Mr. Chairman, and members of the committee.

In his remarks of September 30, 1982, to the standing committee on procedural affairs, the minister stated that the Ontario Land Corp. would establish a program for the repayment of its debts and the disposition of the land banks not required for the corporation's development needs.

In the November 30, 1982, estimates debate, the minister further indicated that the corpora-

tion was developing a program encompassing the policies and procedures for their sale of a major portion of its land banks and that this would be a long-term program of about 20 years.

The lands we are talking about total approximately 54,000 acres, with an associated book value of about \$344 million. They are distributed in the following land banks, the majority of which are in southwestern Ontario. About 90 per cent of them are currently leased under the farm lease program, with leases running from one to five years.

This is South Cayuga; it consists of about 13,000 acres. The red area represents the land holding, the black area represents private holdings and the green area is rural or urban development.

**Mr. Breaugh:** Are you sure that does not represent the deficit?

**Mr. Epp:** It's the Liberal Party.

**Ms. Henderson:** That's going to be a profit.

**Mr. Breaugh:** The words "Liberal Party" and "deficit" are synonymous.

**Ms. Henderson:** Moving on to Nanticoke, our second land holding, which is about 11,000 acres, the yellow area in the centre represents the new community of Townsend. This does not form part of the disposable land banks, as this is currently under development.

This is Carlsbad Springs, a land holding of about 3,800 acres. The white area represents about 1,600 acres recently sold to the Ministry of Natural Resources. It is currently used for the hybrid poplar program.

Here is Cambridge, which is about 3,000 acres; Whitby, which is a fragmented land assembly of about 2,400 acres, close to Brooklin; and Milton, another fragmented land assembly of about 2,200 acres. Here is Atikokan, which is about 1,500 acres. Some of these lands are currently under licence for gravel removal.

Here is Oakville, which is a block assembly, again about 1,300 acres, and Brantford, about 1,000 acres. The majority of these lands are now situated in the newly defined city of Brantford. And this is Belleville, one of our smaller land holdings of about 40 acres.

These lands, as I said earlier, are currently leased under the farm lease program, which is administered by the Ministry of Government Services, with input from the Ministry of Agriculture and Food. In addition to farming, these lands fill a variety of other needs.

The general marketing process has four priorities: to retain land for corporate developmen-

and marketing; to sell to other ministries; to sell to regions and municipalities; and to sell to the private sector. This is an ongoing process. It is not a one-time decision. These lands are reviewed regularly.

In selling to the private sector, there are certain guidelines established by our board of directors. There is reasonable notice of one year to tenants. There are independent local appraisals to establish an estimated market value. The properties will be offered to the general public with a reserve bid related to the estimated market value.

The tenants will be given the right to meet the best offer, provided it meets the reserve bid. Purchasers have 60 days to arrange financing. All sales are on a cash basis, except where authorized by the OLC's board of directors.

The vacant lands will be offered to the general public for the highest offer, but it must meet the reserve bid. Only qualified residents of Canada may buy. Sales to qualified known residents may be approved by cabinet if the sale proves beneficial to the province and the local community.

Farming consideration in this program is that requires a controlled, orderly sales procedure so as not to disrupt local market conditions and depress land prices of our lands and adjoining private lands.

The marketing and sales staff of the Ontario and Corp. are currently establishing the 1984-85 lands for marketing. When these have been identified, they will go to our board for approval, which should happen some time before the end of this fiscal year.

**Mr. Epp:** On that presentation, was that first figure I saw, some \$300 million—

**Hon. Mr. Bennett:** It was \$344 million, the capitalization of all the lands we happen to own.

**Mr. Epp:** The 67,000 acres or whatever they are—the 26,000 hectares.

**Hon. Mr. Bennett:** It is 54,000 acres or 21,000 hectares.

**Mr. Epp:** How do you establish the reserve bid?

**Hon. Mr. Bennett:** Mr. Riggs can describe it for you but it is basically to assess the market. Mr. Riggs will give it to you.

**Mr. Riggs:** We established the reserve bid by having a local appraiser give us an appraised value on the basis of his knowledge and comparable values in the area. That would be our reserve bid.

**Mr. Epp:** How do you select the local appraiser?

**Mr. Riggs:** There is a list of appraisers which we get from the institute in each community. We would do it normally by rotation based on their experience, knowledge in the field and appraisals of farm land property because many of these will be farm land properties.

**Mr. Epp:** You get only one appraisal?

**Mr. Riggs:** Yes.

**Mr. Epp:** Have you ever been asked to give more than one appraisal?

**Mr. Riggs:** In this situation where we are having an open tender, the real price is predicated on a willing purchaser and a willing seller. Our appraisal is a guideline because basically all appraisals are based on historical prices to this date. Individuals who are bidding on this may have a better appreciation of the value of the land and may bid higher or lower. So the appraisal is a guideline and we say it is a reserve bid, because it is the best information we have before we go to an open tender.

I should mention that although we have a local realtor do this for us—normally it is a member of the institute—we do have internal appraisers in the ministry who will also give us an opinion.

**Mr. Epp:** Opinion of value?

**Mr. Riggs:** An opinion of value. Certainly we have input from the Ministry of Agriculture and Food and the Ministry of Government Services, both of whom have appraisers, from whom we will seek information to get a basis for the general level of value. Then the appraiser whom we will hire will give us a more definite level of value. It is not as simple as it may seem on the surface.

**Mr. Epp:** Have you ever had appraisers whose names you have taken off the list?

**Mr. Riggs:** Yes. As you know, we sell serviced lots throughout the province. Many of these lands are sold in conjunction with our partner, CMHC, on what we call federal-provincial projects. We also sell many houses which we acquired because of foreclosures back in the years 1982 and 1983. We have used local appraisers off the lists we get from the institute. They have given us appraisals on which we have predicated sales of literally hundreds of housing units which both CMHC and ourselves acquired during the grim years of 1982 and 1983.

**Mr. Epp:** Mr. Riggs, you are the assistant deputy minister and you are the president of the Ontario Land Corp. Is that correct?

**Mr. Riggs:** No. I am the vice-chairman of the Ontario Land Corp.

**Mr. Epp:** Who is the chairman?

**Mr. Riggs:** The chairman is Mr. Herbert Hignett.

**Hon. Mr. Bennett:** Formerly the president of Central Mortgage and Housing some years ago. He retired from that job.

**8:30 p.m.**

**Mr. Epp:** Is that a full-time job for him?

**Mr. Riggs:** No, it is not.

**Mr. Epp:** How many times does that board meet?

**Mr. Riggs:** The board meets once a month. There is an executive committee of the board, which will meet possibly once a month but not necessarily; it depends upon the amount of business to be transacted during that month.

**Mr. Epp:** Mr. Riggs, you advised the standing committee on procedural affairs on September 20, 1982, that the ministry had a divestment strategy in the sale of land that had been acquired over a number of years, not only by the ministry but also by various other ministries.

On September 22, 1983, the Kitchener-Waterloo Record reported a representative of the Ontario Land Corp. as saying, "The corporation is in no hurry to make any sales and is still developing a market strategy for sales of land it eventually decides is surplus to government needs."

This would indicate to me that there is really no divestment strategy as promised. Have you developed one or have you not developed one? You indicated at one time that there was one and then you indicated there was not one.

**Mr. Riggs:** What was put on the screen a second ago was a divestment strategy that was approved by the government about a week ago and outlines how we will sell land. We will sell on a yearly basis, designating land through a process of determining whether or not other ministries require it because, for example, the Ministry of Transportation and Communications requires land for certain purposes and the conservation authorities require land for flood plains.

Each and every year, as the presentation outlined, we will first of all go through all ministries to ensure that whatever lands they want from these land banks, for any purposes whatsoever, will be offered to them first at market value. Once again we may get more than one appraisal, because the ministry may want an

appraisal and we will want an appraisal. We work out a compromise between the two appraisals.

We will then offer lands to all municipalities in which we are resident in terms of land. Once again, if they want lands for specific purposes, we will sell it to them at market value.

Thirdly, if there is no requirement from the municipalities, and we will ascertain through planning consultants and others of that nature if we need them, any lands in our assemblies may be sold to private individuals—in many cases, they will be resident farmers or tenant farmers—and they will be sold at market value.

They will also be sold to Canadian citizens, except where it can be proven that the sale of these lands would be a benefit to both Ontario, its residents and the community in which the lands are resident.

That policy, which has been worked out with other ministries and with the Ontario Federation of Agriculture—with whom we sat down and talked about this one, because they are very concerned about many of our farm lands—has been recently approved by government and what you saw was that strategy.

Starting on April 1, 1984, we will designate a percentage of our lands to be put up for sale during 1984. Those lands will go through that entire process of consultation with other ministries, consultation with the municipalities in which the lands are located and finally, if none of these lands is wanted by the ministries or by the municipalities, which we know they will be, they will be placed up for sale after due appraisals to the private sector. Each and every year these lands will be sold.

**Mr. Epp:** So there are really four stages. First there are other ministries, then the municipalities, then the farmers and then other citizens.

**Mr. Riggs:** The first stage is ourselves, in terms of what land the government needs for commercial, industrial or residential development.

**Mr. Epp:** Okay. First there is yourself; then there are other ministries. So there are five stages.

**Mr. Riggs:** That is correct.

**Mr. Epp:** Then municipalities. Then farmers.

**Mr. Riggs:** Farmers always have a right of first refusal when we place land out for open tender. The resident tenant, who in many cases is farmer, has a right of meeting the best offer so that he is not displaced off the land. But if he does not want to meet the best offer and if you were prepared to give us an offer that was higher than

the reserve bid, which was brought about by an appraisal, then you would be sold the farm and he would be given reasonable time to remove himself from the farm.

As you realize, because of the problems we have in terms of our ongoing farm lease program, only so many of these lands can be sold in any one year because we have no intention of breaking leases to our present tenant farmers or to anyone else who has a lease on these lands for one purpose or another.

As the leases come up, we have to look far enough down the pike. Each of these decisions which is made has ramifications that must be clarified before we can place the lands up for sale. But once the program begins to go into effect it is a slow dispersal because we have seen in the past that the lands we own today can become extremely valuable because of changes in economics or in demographics. Before we sell some parcel of land, in particular on the outskirts of Metropolitan Toronto, which may have a use beyond what we see today, we examine it and ensure we are not selling something we may have to buy back tomorrow at a higher price.

There is a very elaborate process, which has been outlined this evening, that we have to go through. We then take the plan to the Ontario Land Corp. board in terms of the specific amount we will sell per year. That amount could range anywhere from \$10 million to \$25 million a year in terms of sales, accelerating as we gain some experience. Once again, we start slowly to ensure we understand the market we are going into.

**Mr. Epp:** As I understand it, you have a projection of 20 years in which you expect to sell all of the land.

**Mr. Riggs:** To sell or to develop and sell—one of those two. In some cases we may develop parts of those lands.

**Mr. Epp:** That is all of the 21,000 hectares we are talking about. Within 20 years you expect to have some sort of development on it or to sell it?

**Mr. Riggs:** Yes.

**Mr. Epp:** Are there any conditions in selling the land? Does it have to be developed within a certain number of years, as some municipalities require?

**Mr. Riggs:** At the moment, the strategy is to sell the land as is because most of it will be sold in accordance with the official plan of the municipality. If a farm in Oakville or Brooklin, for example, is sold as a farm and whoever buys believes he will continue farming for the rest

of his life, which may be 50 or 60 years, we do not put a covenant on it that he has to develop it other than as a farm. That is his prerogative.

If we declare a piece of land surplus and the board approves of that particular designation, it would be sold with its present zoning in terms of the official plan. If we thought there was some development potential in the years ahead, we would not declare it surplus and we would develop those lands and sell them in a more advanced stage of development, whether at the stage of the draft plan or the registered plan or as serviced land, as we have in the case of, say, Malvern where we actually sell serviced lots.

**Mr. Epp:** Ms. Henderson showed us different parcels of land today. Do you do your accounting on the basis of each parcel of land or do you group them all together? Do you expect to make money on each parcel as it is catalogued or are you counting on the bottom line after 20 years to be able to show the people of Ontario you have made some money on it?

**Mr. Riggs:** We account for each project separately. We anticipate on some assemblies we may make money; on other assemblies, we will lose money in the early years.

**Mr. Epp:** Which ones would you expect to make money on and which ones would you expect to lose money on?

**Mr. Riggs:** On certain lands adjacent to Metropolitan Toronto our potential for at least breaking even or making money is quite high. Undoubtedly we will lose money on sales of land, which might be in Cayuga, for example, because we bought the land in an assembly in the early years.

**Mr. Epp:** Is that the one about which John White had that dream while going in his limousine down to London one day? You do not have to answer that one. I remember reading about that dream.

**Mr. Chairman:** That is a very good question, Mr. Epp.

8:40 p.m.

**Mr. Epp:** I remember reading about that and seeing that on the television screen, floating down the highway with his dream. Sorry about that.

So you catalogue them or you divide them separately.

Last September you advised that the merged Ontario Mortgage Corp. and Ontario Land Corp. owed the Treasurer \$1,000,100,000, and that you were planning to pay back about \$90

million per year. I think that is what you advised us. Is that correct, Mr. Riggs?

**Mr. Riggs:** Yes.

**Mr. Epp:** How much of the \$90 million per annum was coming from the Ontario Mortgage Corp. and its revenues, and how much from the Ontario Land Corp. revenues?

**Mr. Riggs:** I would have to give an estimate here. I would say that about 75 per cent would come from the mortgage corporation and about 25 per cent from the land corporation at this time.

**Mr. Epp:** Based on that, would you say that the Ontario Land Corp. was more or less holding its own and was generating a sufficient amount of revenue based on earlier projections?

**Mr. Riggs:** At the moment, the land corporation is producing the revenue in accordance with its corporate plan, which is based upon about 25 per cent of that revenue coming from our land holdings.

**Mr. Epp:** That is your corporate plan, 25 per cent? Would that not be at variance with the original projections, where the figures were considerably higher? Your projections were higher for the Ontario Land Corp. Is that not at considerable variance with it? It is a negligible amount compared to when the land was originally purchased two years ago and what you expected to get. How do you rationalize those two?

**Mr. Riggs:** None of the land banks which are being referred to here had been in a state of sale of any proportion for a number of years. Most of our land sales had been generated from lands that we had held on the mountain in Hamilton, in Stoney Creek and in Malvern, where our proportion of the revenue is only 25 per cent because they were federal-provincial projects.

In spite of that, the provincial profits had been in the \$10 million to \$12 million range and we had not even begun to sell any of our land holdings, which we had purchased under these land banks and which totalled about \$344 million.

So even up to this point we have been able to generate sufficient revenues to amount to about 25 per cent of our gross earnings. These are lands where we are looking at only 25 per cent dollars rather than 100 per cent dollars because of our arrangements with the Canada Mortgage and Housing Corp.

In the years ahead, as we move into some of the prime lands, including prime lands around Metro that we own, we are looking at 100 per

cent return and 100 per cent dollars. So I would not want to try to project to the members what those revenues may be.

We do know, on a conservative basis, looking at a very low rate of land appreciation over a 20-year period and taking into consideration that there will be losses on some of these land banks as we sell them in the early years, that we have sufficient total assets to repay the Treasurer within our corporate plan.

We look upon land as an asset, because our experience today has been reasonably successful and land is finite in this province.

**Mr. Epp:** You used to be in private enterprise, did you not, Mr. Riggs?

**Mr. Riggs:** Yes, sir.

**Mr. Epp:** How many years ago?

**Mr. Riggs:** About 15 years ago.

**Mr. Epp:** Would you think this would be a wise acquisition if you were working for Brascan, or Conrad Black, or someone in the private sector?

**Hon. Mr. Bennett:** Mr. Chairman, that is not a question to be directed at a civil servant. The question is that of a political decision. I beg to interfere.

Interjection.

**Mr. Riggs:** I did not say anything.

**Mr. Epp:** Not like this, anyway. Thank you.

On page 130 of the of the estimates briefing book you estimate repayment to the Treasurer of \$110 million principal and taxes in 1983-84. How are you going to do that? What are the sources of these funds?

**Mr. Riggs:** There are about four sources of funds. One is our repayments on mortgages first and second; both the land corporation and the mortgage corporation have taken over the home ownership made easy program.

The second item is our temporary investments during the year, because we have a substantial cash flow from both our land sales and our mortgages and we invest that in short term money, like any financial institution, to generate interest income that we place against our accounts.

The third source is a number of deferred mortgages that we took during the HOME program, which are paid off as houses come up for sale; and the fourth is our revenues from the sale of lands.

Over the past two years, in accordance with our corporate plan, we have not only paid the amortized amount on our corporate debt o

\$110 million to Canada Mortgage and Housing Corp.—we are paying it off over a 20-year period under an agreement and we have made those payments right on schedule; in fact, we have been a bit ahead of it—but we have also been ahead in paying, for the last two years including this year, the Treasurer more than is required under the 20-year amortization, both because of the generation of income from the aggressive marketing of our lands and, as I have to say, because of our mortgage conditions, which allow any of our mortgagees to pay off their mortgages at any time without notice or bonus.

Although we have always been well below the market rate for renewal mortgages, they still did rise in that period when mortgages in the private market exceeded 20 per cent, and many of our mortgagees who can now refinance have paid off their mortgages and, of course, have refinanced at a much lower rate.

**Mr. Epp:** Do you think the value of the land has inflated equally with the inflation of dollars during that time?

**Mr. Riggs:** In some cases, no; in other cases, on our more mature lands, yes. It depends on the location and the timing of development in a particular community.

**Mr. Epp:** On balance?

**Mr. Riggs:** If you are talking about our total holdings, and I have to include places like Malvern, Hamilton Mountain and places like that, our Malvern holdings alone have probably appreciated substantially and that is one of the largest holdings we have in the province.

**Mr. Epp:** How many acres is that again?

**Mr. Riggs:** Malvern is well over 1,000 acres.

**Mr. Epp:** Out of 50,000-odd acres—was it 56,000 acres you said, Mr. Minister?

**Hon. Mr. Bennett:** It was 54,000.

**Mr. Epp:** It is 54,000 acres, 21,000 hectares.

**Mr. Riggs:** I think Malvern is around 1,700 acres.

**Mr. Epp:** The revenue from the sale of land is the 25 per cent of the \$90 million we were talking about earlier?

**Mr. Riggs:** We have to pay CMHC about \$10 million a year, in addition to our payments to the Treasurer; and our revenues to support both the federal and the provincial debts come from the same sources. We have two debts that we have to pay each year: the provincial debt, which we are doing; and the federal debt, where we pay approximately \$12 million a year on a

20-year amortization basis to cover \$110 million we owe to the federal government.

**Mr. Epp:** How much of the amount that you pay the feds is interest?

**Mr. Riggs:** Of the \$12 million?

**Mr. Epp:** What is the interest rate?

**Mr. Riggs:** The interest rate we pay the feds varies. It runs, depending on when we took out the loan, anywhere from eight per cent to about 9.5 per cent. As you know, on most of those we now pay the National Housing Act 58 rate. We continue to borrow from the federal government.

**Mr. Epp:** The 1958 rate?

**Mr. Riggs:** No, the section 58 rate.

8:50 p.m.

**Mr. Epp:** Section 58; I just wondered.

**Mr. Riggs:** I wish it was the 1958 rate.

**Mr. Epp:** I was wondering. I did not think it was eight per cent to 9.5 per cent.

**Mr. Riggs:** But we still have to pay a rate on the funds we borrow to service land such as Malvern or Hamilton Mountain.

**Mr. Epp:** On October 1, 1978, which is five years ago, the Treasurer stopped getting interest on the money borrowed to buy the land banks. Is that correct?

**Mr. Riggs:** That is correct.

**Mr. Epp:** Last September you indicated that about \$500 million was owed by the Ontario Land Corp. and the Ontario Mortgage Corp., which was non-interest bearing.

**Mr. Riggs:** I think it is less than that. I believe about \$400,000 is non-interest-bearing debt.

**Mr. Epp:** Four hundred thousand, not \$500 million?

**Mr. Riggs:** Yes.

**Mr. Epp:** Around 20 per cent.

**Mr. Riggs:** I am sorry. I mean \$400 million.

**Mr. Epp:** How much of that sum is in respect of the land bank acquisitions?

**Mr. Riggs:** The majority of it.

**Mr. Epp:** How much of the Ontario Land Corp. non-interest-bearing debt to the Treasurer is in respect of the land bank acquisitions? Is that different?

**Hon. Mr. Bennett:** I guess the majority of it. That is the same question turned around, is it not?

**Mr. Epp:** Yes, that is the \$400 million you referred to.

**Mr. Riggs:** Most of the \$400 million, which is non-interest-bearing debt to the Treasurer, was used to acquire the land banks in Cayuga and parts of Pickering, and items of that nature.

**Mr. Epp:** Is any of this money not charged to the Ontario Land Corp., any of the interest costs you absorb, or is it all charged back to the OLC? I am just trying to find out about your accounting system. Are all the costs that are borne by the ministry for the 54,000 acres included in your accounting system and clearly shown?

**Mr. Riggs:** Yes, in our financial statements, which are public documents; in the notes to the financial statements, which are quite elaborate and signed by the Provincial Auditor for full disclosure, we indicate those debts to the Treasurer that are non-interest bearing and those that are interest bearing. Of course, the non-interest-bearing debt is borne by the profits. That is clearly disclosed in our notes to our financial statements, which are issued yearly and are certified by the Provincial Auditor for disclosure of these financial statements.

**Mr. Epp:** The interest-bearing debt is clearly shown too?

**Mr. Riggs:** Absolutely. They are shown as two different line items in our financial statement. One is shown as a non-interest-bearing debt and the other one is shown as an interest-bearing debt.

**Mr. Epp:** At one time the various land holdings were under one ministry. Then they were brought under another ministry. At one time the Ontario Land Corp. was separate. It did not show very good revenues so it was put together with the Ontario Mortgage Corp. to show more revenues. Is that correct?

**Hon. Mr. Bennett:** It is better business practice to put two corporations into one to reduce the administrative costs, since both seem to have somewhat the same reason for existing.

**Mr. Epp:** It was also convenient because it helped to show the revenues from the Ontario Mortgage Corp. if you grouped them together with the Ontario Land Corp.

**Hon. Mr. Bennett:** It does not matter a tinker's dam. The auditor comes in and does an analysis, whether it be land or mortgages. He is astute enough to know the difference between a land holding and a mortgage holding. He clearly knows what the mortgage commitments are, what the repayments will be to the province, whether interest will be paid by the client, whether it happens to be an interest-free mort-

gage or whether it happens to be under the old home ownership made easy program.

The auditor appreciates what is going on. I think he indicated clearly, going back a year or two ago, that the direction in which we were moving to establish one corporation to look after these two heavy financial investments by the province was logical.

Let me just make one comment about non-interest-bearing loans for land purchases. People think it is strange to find that no interest is being accumulated on a mortgage or loan to buy land. In the private sector, we all seem to pride ourselves on the fact that the Cadillac Fairviews and the rest of them have done very well in land development over the last 25 to 40 years; no one can argue with that. But they have done it with an ability to find a way around the tax problem, indeed around borrowing money and paying interest on it.

Most of these corporations, if you follow what they have done, have gone out and sold shares—

**Mr. Epp:** You are not saying they are avoiding taxes?

**Hon. Mr. Bennett:** To avoid taxes is fine, as long as you do not evade taxes. Evasion is a legal infraction. But to avoid paying taxes takes the skills of an accountant. That is why we have so many of them doing well.

Look at what Cadillac Fairview, Bramalea Ltd., Campeau and the others did. They sold shares in the corporate structure on which dividends would some day be paid. The moneys they acquired from selling those shares are what became the capital portion of their company to allow them to go out and buy lands without accumulating an interest-bearing debt against those lands until the date would arrive when they could develop them and have a capital appreciation.

The government goes into the same type of program. Whatever capital appreciation comes from Malvern, for example, is returnable to the Treasury of Ontario and this country through Canada Mortgage and Housing Corp.

I do not think you can expect to have both, through land corporations; just because it is government you are going to pay the full interest rate on your land, and if there is a capital appreciation, or if the capital appreciation is not equal to what the accumulation of interest happens to be then it is a loss sale situation.

The private sector has used this particular program for years. It is accepted in the annals of accounting. I guess that is one reason we moved

in that direction. To continue trying to accumulate the interest factor on some of our poorer purchases did not seem—

**Mr. Breaugh:** Which purchases?

**Hon. Mr. Bennett:** I said poorer and I do not deny those. I never have. Go back and read any time I have—

**Mr. Breaugh:** It was just refreshing.

**Hon. Mr. Bennett:** That is good. I am glad that I was able to refresh you without Lifebuoy today.

Anyway, I just suggest to you that I think the direction we moved in was very logical. It also allows us an opportunity, in Cambridge for example, eventually to try to negotiate some of the 3,000 acres we have up there with the municipalities. As you know very well as a member from that area, they would like to some day buy a portion of it for industrial improvement in that community.

I dare say if we allowed interest to continue accumulating against that land and we said in a very clear and pronounced fashion that if a municipality wants to buy it they must buy it at our book value, it would become far too expensive for them to try to develop it into an industrial park.

I think we have made the logical move. I make no apologies for the fact that for the moment the clock stands still. The moment we sell the land, if there is a capital appreciation over what we purchased it for, it is to the credit of the Treasury.

It is not any different from the lands we buy for the Ministry of Transportation and Communications. The clock never ticks on long-term purchases for MTC. It never ticks. Indeed, they can buy land for road construction five, 10 or 15 years down the way, and when they finish building the road surplus lands are then sold. Moneys that accrue from those sales are credited back to Treasury. But at no time did the clock ever tick on them.

**Mr. Epp:** You are mixing apples and oranges here.

**Mr. Stokes:** It did on gas tax.

**Hon. Mr. Bennett:** I was referring strictly to land purchases for the moment.

**Mr. Epp:** When you are talking about the Ministry of Transportation and Communications buying land it buys for roads. Nobody else is going to build buildings on it and so forth, so it is much cheaper for—

**Hon. Mr. Bennett:** No, they buy it for potential long-term road development. It is the same reason we bought land through the Ontario Land Corp.

9 p.m.

**Mr. Epp:** But you are buying it so that other people do not build on it. You did not buy it and construct some kind of development on it. You did not buy this land so that you would prevent private enterprise from going on it. You originally bought it, if we can believe your earlier statements, to give some kind of incentive to development in that area.

**Hon. Mr. Bennett:** Let me suggest to you that if you want to take a little trip some day, and I do not know whether you have travelled east of Toronto, you can go up to Scarborough, to Malvern, and you will find that, with Canada Mortgage and Housing Corp., we bought a piece of land back in the early 1950s for the purpose of designing and developing a model community. That is what we want it for.

Indeed, if you look at it in a very serious way, it prohibited the private sector from moving in, taking the land, subdividing it and doing whatever they wanted to do with it.

**Mr. Epp:** Are you justifying that?

**Hon. Mr. Bennett:** In today's world I guess we have done a very, very adequate job. That would be recognized by the local members, regardless of their political stripe. If you look at it from a Treasury point of view, federally and provincially, it has been very advantageous.

**Mr. Epp:** At best, you said adequate.

**Mr. Breaugh:** No, he said "very, very adequate."

**Mr. Epp:** Well, it is still adequate.

Interjections.

**Mr. Epp:** It could have been inadequate, but adequate is still there. Anyway, let us go back to those 3,000 acres.

**Hon. Mr. Bennett:** We can go back to anything you want to.

**Mr. Epp:** Let us go back to the 3,000 acres. What you are saying, if I understand you, is that you originally had your investment there. You bought the land for somewhere between \$2,000 and \$3,000 an acre.

Interjection.

**Hon. Mr. Bennett:** No, he is talking about the Cambridge land.

**Mr. Epp:** The Cambridge land, that is what I said.

**Hon. Mr. Bennett:** We just want to get them all straightened out.

**Mr. Epp:** The 3,000 acres; that was what I said, didn't I?

**Mr. Chairman:** Yes, fairly close.

**Mr. Epp:** Our chairman represents some of this land.

**Mr. Chairman:** All of it.

**Mr. Epp:** It is just empty.

**Mr. Chairman:** Half a dozen. Carry on; do not let me interrupt.

**Mr. Epp:** Anyway, what you are saying, if I understand the minister, is that you do not expect ever to get your original investment out of that because the clock is standing still on that land. Perhaps Mr. Riggs can answer this. It does not matter to me.

**Hon. Mr. Bennett:** I did not say that.

**Mr. Epp:** That is what I read from your answer.

**Hon. Mr. Bennett:** You can read whatever you want. I said the clock was standing still, and whatever capitalization is made over and above the original purchase price goes to the credit of the Treasury and the people of Ontario.

It is interesting when I get into this subject of land banking. I remember when I was on city council in Ottawa the call word back in the 1960s was "land banking." Everybody should be land banking. Provincial, federal and municipal governments were supposed to be land banking so we could design and develop communities, control lands for future development, control the servicing and so on.

I guess the government was convinced by some of the rhetoric of the day that it should buy the lands and it did. They took steps towards things in which they believed—long-term protection of those communities and the development of programs or planning.

It always intrigues me when I hear people tell me the government has made a bad purchase. I have had a few fellows from the private sector over in the last while. I am not sure exactly what their purchases are, but they would like me to buy them on behalf of the people of Ontario. This leads me to believe that it might not have been the greatest investment on their part either.

I have said this before and I do not mind repeating it. I do not pretend to suggest to you, Mr. Epp, that all the land purchases we have made as a government on behalf of the people of Ontario and with the advice of a great number

of people have all been profitable. I will suggest to you that a great deal of the acreage we own today, if it does not go into industrial or residential construction, will obviously wind up under the conservation authorities. This means we would have purchased it through a public purse in one way or another. Some of it will wind up going back into good use, as has happened in Pickering, and I take great pride in that fact.

Whether you argue the price or not, the fact is that when we went into Pickering and acquired those lands adjacent to the land involved in the federal government plan for the airport, about 8,000 acres acquired were then under cultivation. Today there are about 12,000 or 14,000 of those acres under cultivation. We have been able to put them back into farm use because of a favourable lease arrangement predicated on the property they happened to be cultivating. While it may be expensive, we have still been able to open up those lands which were lying idle and nonproductive in the economics of the agricultural community in the metropolitan area adjacent to Toronto.

Again, I repeat that not all of the lands we bought will return full capitalization to the government and the people of this province, but I think that over a period of the 20 years—and maybe even less, depending on economics and the change in certain communities it could very well come to a conclusion more quickly—in the end the economic result we will achieve will be a balanced situation. That is what we are trying to look for.

**Mr. Epp:** Can you clarify one thing, Mr. Riggs? What is the interest cost not charged, if there is any, to the Ontario Land Corp. since October 1, 1978; and obviously absorbed by the Treasury? Is there any of that?

**Mr. Riggs:** I cannot speak to that.

**Mr. Epp:** Why not?

**Mr. Riggs:** I assume we are talking about approximately \$400 million. I assume the interest rate, if you go back to the years the money was put out by the Treasurer, would run at anywhere from eight to ten per cent interest during those years when the land was acquired. If you took nine per cent as an average interest rate on the \$400 million, you are looking at something in the vicinity of \$35 million to \$36 million per year.

**Mr. Epp:** Are you saying all the land is in that?

**Mr. Riggs:** No, I am saying the land banks are in that.

**Mr. Epp:** All the land banks are in there.

**Mr. Riggs:** Yes. The majority of the land banks are in there, except for those parcels that either have been or are in the development stage, which are very few. Most of the land banks would be in that \$400 million we indicated before.

**Mr. Epp:** How much would not be in it?

**Mr. Riggs:** In terms of the \$400 million, the remainder of the lands are covered by interest-bearing debt, which we pay interest on yearly to the Treasurer.

**Mr. Epp:** How many acres are we talking about?

**Mr. Riggs:** The number of acres over and above the land banks?

**Mr. Epp:** Yes.

**Mr. Riggs:** Between 10,000 and 11,000 acres that are not in the land banks are under repayment to the Treasurer for interest-bearing debt. I think about 10,000 acres.

**Mr. Epp:** The figure I have for the value not charged to the Ontario Land Corp. since October 31, 1978 is \$75 million. Would you agree with that figure?

**Mr. Riggs:** I could not say.

**Mr. Epp:** You do not know?

**Mr. Riggs:** No, I do not know.

**Mr. Epp:** Who does know? You have 10 to 15 officials here, worth anywhere from \$25,000 to \$75,000 a year and a deputy minister at around \$65,000 to \$75,000. Who knows who is getting it? You have officials who, if you total up all their incomes, are probably worth half a million dollars. You would not argue with that?

**Hon. Mr. Bennett:** It is well spent.

**Mr. Epp:** You have all these officials here to whom you are paying half a million dollars annually. Can you tell me whether \$75 million is an accurate figure? Am I out \$5 million or \$10 million? Am I out five or 10 per cent? What am I out?

**Mr. Riggs:** If I could rephrase the question so I understand exactly what you are—

**Mr. Epp:** You rephrase the question, then give me the right answer.

**Mr. Riggs:** I cannot give you the right answer because the Treasurer is the only person who can tell you the exact amount of interest he is absorbing.

**Mr. Epp:** Okay. Can you tell me that tomorrow?

**Hon. Mr. Bennett:** If you want to ask those questions, I suggest you ask the Treasurer in his

estimates. As minister I have the right to make the suggestion very positively at this committee meeting that what we spend in our estimates we are accountable for.

**Mr. Epp:** I am asking for the figure.

**Hon. Mr. Bennett:** We do not spend it. I suggest you can ask the Treasurer that question.

**Mr. Epp:** His estimates are not up now. Your estimates are up.

**Hon. Mr. Bennett:** I am suggesting to you we do not make a commitment.

**Mr. Epp:** Mr. Conway had 70 to 80 questions on the order paper and he had the same difficulty trying to get answers to those questions. I can understand why you people would want to hide the information.

9:10 p.m.

**Hon. Mr. Bennett:** We have come here and given you a full review of our major land holdings tonight. We have gone to public accounts on it. Year after year after year, we have gone through the Provincial Auditor, who accounts for the operations of this government, in a very open and forthright manner, to you as a member of the Legislature as he does to me as the minister reporting for it. If you feel there is something hidden, I suggest you tell the auditor he is not doing his job properly.

**Mr. Epp:** I am asking you for a figure that is relevant to your ministry.

**Hon. Mr. Bennett:** No, it is not relevant to my ministry.

**Mr. Epp:** Of course it is.

**Hon. Mr. Bennett:** It is not a commitment against the ministry. Let us get that straight. We do not pay an interest rate on the moneys involved in those lands.

**Mr. Epp:** It concerns lands the ministry has assumed.

**Hon. Mr. Bennett:** I do not intend to get you the information. I suggest you get it from the Treasurer. Do you know him? I will introduce you to him later on tonight when we go in for the vote.

**Mr. Breaugh:** Now boys.

**Mr. Epp:** You do not think the Treasurer is going to have the information?

**Hon. Mr. Bennett:** What I am suggesting is that he likely has it more accurately than we do for the simple reason the money is from his ministry, resting in his account. You can ask the same question about every piece of land in

Ontario, that is owned by the Ministry of Natural Resources or anybody else.

**Mr. Stokes:** Carried?

**Mr. Epp:** I will have some questions shortly, but anyone else can ask questions.

**Mr. Breagh:** I have a couple of quick questions here. I noticed during the little slide show that the star of the system seems to have diminished somewhat.

**Hon. Mr. Bennett:** The which?

**Mr. Breagh:** The star of the system. The North Pickering project—Seaton, or whatever name it is called by now. Where is it on your list? Is it a priority item for sale?

**Hon. Mr. Bennett:** For sale, yes. But we have the problem—maybe I should not refer to it as a problem—the responsibility of working with both the municipality and the region, first having succeeded in getting it into the official plan, now trying to meet the further requirements of land use and zoning and then potentially getting it into subdivision and development. I have to suggest that is what we are aiming at, although it certainly will not happen tomorrow.

**Mr. Breagh:** When might we anticipate we would see the North Pickering project, or Seaton, or whatever name it goes by? When will it be available?

**Hon. Mr. Bennett:** I spoke this morning to J. E. Anderson, the mayor of Pickering, about the situation. Over the next year the municipality will be working further with our ministry in trying to refine the land use and zoning. How quickly that moves ahead all depends, I guess, on the reaction—and I say this with no disrespect—we get from property owners of adjacent holdings.

**Mr. Breagh:** Do you have any kind of a running total of what in the private sector would be referred to as development costs for the North Pickering project?

**Hon. Mr. Bennett:** Yes. I would think Mr. Riggs can tell you about some of our costs.

**Mr. Breagh:** Setting aside the Ombudsman and all that stuff where the real fun begins, what are the normal costs?

**Hon. Mr. Bennett:** What do you mean by "normal"?

**Mr. Breagh:** I participated in a number of the early planning exercises around that particular project and it seems to me there was an inordinate amount of what in the private sector

would be called "development costs." It would all be rolled into place—

**Hon. Mr. Bennett:** There is a land cost, which is part of what I would think we showed on the screen this evening, the \$344 million.

**Mr. Breagh:** Is North Pickering a hiking trail?

**Hon. Mr. Bennett:** There is certainly some good farming up in that area. Agricultural production is high.

**Mr. Breagh:** I am told that is open to some dispute and I want to pursue that.

**Mr. Riggs:** The North Pickering assembly is divided into three distinct areas. The first one is the North Pickering open space system, the lands which lie west of the ravine. They total 1,704 hectares or 4,211 acres. Our total investment to date on that is approximately \$65 million. I am rounding that off.

In the centre section, which is the North Pickering agricultural system, there are 3,800 hectares or 9,400 acres. Our investment there is \$135 million. The community of Seaton, which is now in the official plan, is approximately 7,000 acres, with a total investment of \$70 million.

**Mr. Breagh:** Are you looking at that as still being some years away from any activity?

**Hon. Mr. Bennett:** In this context, I know we are going to be at least the next 12 or 18 months, or maybe more, in getting to a point of putting land use and zoning somewhat in place. I have no idea what we might meet in the way of objections. I know there are a few developers out there, as do two or three others, who perceive us in the land corporation as part of their competition. The Brooklin project and one or two others—Bramalea, I guess—

**Mr. Breagh:** Is the Brooklin project now dead?

**Hon. Mr. Bennett:** No, I do not think so. I do not know where their final discussions are at this particular point.

**Mr. Breagh:** There seems to be a bit of controversy about the state of the corpse.

**Hon. Mr. Bennett:** There is.

**Mr. Breagh:** It seems rigor mortis is well on its way in now.

**Hon. Mr. Bennett:** The First City Trust Co. has still not given up completely, I am told.

**Mr. Breagh:** So there may be life in the body yet.

**Hon. Mr. Bennett:** I would think that if the market showed any kind of a turnaround, they would be in a fairly advantageous position to move fairly quickly. They have their zoning and everything else in place save and except for the sewer system, which is the principal thing.

**Mr. Breaugh:** There is that little thing.

**Hon. Mr. Bennett:** That is not a problem. They and several of the others—and I guess we could get into some of the contractors, Runnymede Development Corp. Ltd., Bramalea Ltd., and so on—perceive us as being a rather strong competitor. If we should get down to the day of subdivisions, no doubt we would be.

**Mr. Breaugh:** If this kind of a time frame persists, with the current stage of development in the Pickering-Ajax area—it is just astonishing to take a look through there and to see how quickly that development process has taken place; the scale of it is rather immense—it would be my guess that if you were able to do a poolie stall on this process, legitimately or otherwise, you would be sitting on top of some of the most valuable industrial and residential land in Ontario in about four or five years' time. With some forbearance, you might come out smiling on this deal yet.

**Hon. Mr. Bennett:** We did not do too bad in Malvern. Was it 1953 when they bought Malvern? There must have been people sitting at the provincial and federal levels who must have thought the ministers reporting for housing, or whatever they called it at that time, both federally and provincially, were completely out of their minds for having bought all this acreage in Malvern.

I will tell you that we have designed and developed a good community. We have been able to design and develop some very prestigious industrial lands. When you drive along Highway 401, it is obvious where they are. And the prices have been very beneficial. That applies to some of the other lands that are still within the domain of the federal and provincial governments. Our comment has a great deal of correctness. It is like anybody else. The one thing the big developers do have is what they call staying power. When some of the smaller ones have to bow out, they have the staying power—

**Mr. Stokes:** Is not a mixed economy wonderful?

**Hon. Mr. Bennett:** Yes, it is. With the staying power, the fact that we are in that position could be a very advantageous thing for your community, sir.

**Mr. Breaugh:** As a closing remark on that one, a lot of us spent a lot of time and effort to try to get that North Pickering project into scale, into something that was harmonious with the various municipalities in the region. I would just put on the record that I hope the government does not get stupid at the final end of this process. There are a lot of people who have spent a lot of time and money to see that this is compatible with the regional municipality of Durham. I believe the plan is now compatible.  
9:20 p.m.

It seems to me we are nearing a critical stage in the latter part of these development years where this thing is either going to be something worth while—and I believe that can still happen—or a total bust.

I am heartened somewhat by statements you made in previous years before other committees, where you said you were not going to sell out at the end of it. That would be the height of stupidity, especially with North Pickering. It is a project, for those of us who have been involved with it, which was fraught with great personal tragedy, great levels of government stupidity, great levels of personal hardship that were put on individuals and immense amounts of planning locally and provincially.

That one deserves to get the full and complete, sane, logical, rational treatment. If you sell out that one at this stage of the game, having taken all the lumps you took as a government and all the problems local people tried to sort out with you, it would be insane to dump the thing now.

Could I ask you one final question on North Pickering?

**Hon. Mr. Bennett:** We took lumps on it, and in fairness to the municipal politicians, some of them took a lot of lumps as well.

**Mr. Breaugh:** Sure, they took lumps too.

**Hon. Mr. Bennett:** I respect them for that, because they see the long-term potential and the need. I know we are not over all the hurdles, but we are over some of the highest ones.

**Mr. Breaugh:** I ask the next question because my son got paid this summer as a security guard to guard the non-existent North Pickering airport. I notice the regional chairman, in a moment of delusion, and he has had several moments of delusion lately, seems to feel you are going to build another Mirabel there. What is the province's official position about the airport in North Pickering? Do you believe there is still a chance that the federal govern-

ment will go completely ape and build a second Mirabel for people to laugh at, or do you believe the airport on that site is a long gone and happily forgotten exercise?

**Hon. Mr. Bennett:** If I were to use a private citizen's appraisal of the situation and, looking at some of the problems the airline industry is going through in ticket sales and so on, if I were sitting at the federal level, there would seem to be little justification at this time in looking at building another terminal to handle passengers. I underline the word "passengers."

Whether there is sufficient international exporting by the airlines to warrant a terminal out there for commercial freight, I do not think I am qualified to answer. If that does come along, I hope serious consideration will be given to it. It might unload some of the heavy commercial traffic out of Malton and put it into a more realistic setting.

I have listened to the stories about what they are going to do. I hope no government will make the same idiotic decision on behalf of the 25 million people of Canada to build another Mirabel stuck way out. It just does not seem to fill the bill. Some day down the road, maybe relatively soon, there might be a potential for at least one strip to carry some of the commercial traffic. I am talking now about freight traffic.

**Mr. Breagh:** The government of Ontario has no knowledge of the government of Canada proceeding?

**Hon. Mr. Bennett:** This minister has no knowledge of it. I do not know whether Mr. Snow has any knowledge of it as a result of some of the discussions he has had with Jean-Luc Pepin, and now Lloyd Axworthy, as Minister of Transport. I am not sure.

**Mr. Breagh:** My son reports the land is secure. It has not been stolen or invaded by anyone.

**Hon. Mr. Bennett:** Did he get paid for doing it?

**Mr. Breagh:** He got \$3.50 an hour.

**Hon. Mr. Bennett:** Was that under a student aid program for career development?

**Mr. Breagh:** No, I wish it was.

I want to ask my annual question about Whitby. You bought 2,800 acres of land in Whitby. No one in the whole area has ever figured out why you bought those 2,800 acres. You have had eight years to figure out a good, reasonable excuse for doing that. Why did you

buy that particular piece of property and what the hell are we going to do with it?

**Hon. Mr. Bennett:** What was my answer last year?

**Mr. Breagh:** Last year you said you did not know. You brought some staff people in who said they did not know.

**Hon. Mr. Bennett:** I guess I could use the same answer again.

**Mr. Breagh:** The reason I ask it annually is that in the region of Durham, when I was sitting on the council and someone announced you had grandly bought it, we were a bit taken aback. We had never heard of it. The rumour we heard was that some real estate agent had put together a neat deal and put it to the government and in its wisdom it purchased the land.

**Mr. Chairman:** I have an idea you are going to get the same answer this year as you got last year.

**Mr. Breagh:** I do not give up on these things.

**Hon. Mr. Bennett:** I guess we were anticipating massive industrial development growth in Durham.

**Mr. Breagh:** That is much the same answer as we got last year. You are not becoming any more eloquent at it, though. I will be around next year to ask again.

**Hon. Mr. Bennett:** So will I, and I will be delighted to hear it again. We will see by that time whether 12 months will have changed the reasons.

**Mr. Breagh:** I have one other question I want to ask on the mortgage corporation, and I might just as well do it now and get it out of the way.

Can I get an update on what the mortgage corporation is doing with units that it repossessed, or took back or threw people out of on to the street, and said it was going to market? We had a little fun in here last year with your process, and I am sad to report that Canada Mortgage and Housing Corp. has not exactly cleaned up its act even in that regard. It is still trying to get rid of all the units it owns and is still doing so in a way that does not please me very much. Can we have an update?

**Hon. Mr. Bennett:** You are talking about McLaughlin Square, I take it.

**Mr. Breagh:** You have a number of properties.

**Hon. Mr. Bennett:** But McLaughlin Square is the principal one.

**Mr. Breaugh:** McLaughlin Square is one. You have one on Mary Street North, another one down on Oxford Street and a few other parcels.

**Hon. Mr. Bennett:** McLaughlin Square, of course, was developed as a condominium. The developer went into receivership, and we as the mortgage holder took over the building. I believe about 50 per cent of the units have now been sold.

**Mr. Riggs:** On Glen Street we have 78 units rented today. We have 10 units that are up for rent, and at the moment there are no units for sale. So we have 88 units, of which 78 are rented and 10 are available to rent.

**Hon. Mr. Bennett:** How many are privately owned in that building now?

**Mrs. Henderson:** In McLaughlin Square?

**Hon. Mr. Bennett:** No, on Glen Street.

**Mrs. Henderson:** On Glen Street we own 88 out of 117.

**Mr. Riggs:** On Mary Street five units are rented, 24 units are vacant and up for rent and 12 units are vacant and up for sale. In McLaughlin Square—

**Mr. Breaugh:** Can I just stop you there? I remember raising the question of why you were throwing people out, and the answer was, "Well, if we throw them out we can renovate the units and we will rent them or sell them." I am a little disappointed to hear you say that you succeeded in throwing the people out but you have not got them rented and you have not got them sold. Why not?

I did not think it was such a hot idea to throw people out on the street, but you did have an argument that you were all hot to trot and you were going to sell or rent these units. It makes me somewhat sad that we are sitting here with some vacant units in a town in which the last vacancy rate I can recall was 0.05 or 0.50 per cent. There are not a whole lot of units available.

**Mrs. Henderson:** In Oshawa we had four projects. We had McLaughlin Square, Glovers Road, Mary Street and Glen Street. In McLaughlin Square we sold out about 200 units and in Glovers Road we sold out about 40 units, and we have no other interest in either of those projects.

In Mary Street there is an ownership of about 0 per cent. At that time, CMHC started moving a large number of units at a cut price. We determined that we could not sell any more, otherwise we would cut the other owners' equity out altogether. It is more beneficial for every-

body concerned to rent again after CMHC is finished, probably next spring.

In south Oshawa we were in the same position. CMHC started renting the adjacent project for about \$300 less a month than it would cost to carry our units; again it cut out the sales market. We determined in those two projects to start renting again until CMHC has unloaded all of its product.

**Mr. Breaugh:** The word "unloaded" is about as fair and accurate and polite a word as I would care to use for what CMHC is doing in Oshawa.

**Hon. Mr. Bennett:** Pauline, in relation to those who had bought units and then could not fulfil the commitment to the mortgage payments and interest and so on, did we reclaim many of the units in any or all of the projects we have discussed?

**Mrs. Henderson:** We took quit claims in the Glen Street project for about 90 units out of 117.

**Hon. Mr. Bennett:** A quit claim is really where the owner decides—

**Mrs. Henderson:** The owner decided that we should take it back.

**Hon. Mr. Bennett:** They have decided they do not want to maintain it, so it was not a matter of our moving in.

**Mrs. Henderson:** No, we did not take legal action.

**Mr. Breaugh:** There.

**Mrs. Henderson:** Or on Mary Street. The incident you are speaking about, Mr. Breaugh, is on Mary Street, where we asked people to move at the termination of their lease, and those units are being offered for sale. We also offered those same tenants alternative accommodation in the Glen Street project, where we were continuing to rent, but they elected not to go to south Oshawa.

But we only used or acquired enough units to put on the market. Once we determined that the market was no longer strong, we renewed other leases and put the ones we had reacquired back on the market for sale.

9:30 p.m.

**Mr. Breaugh:** The process of CMHC was a ridiculous thing. CMHC, for those who do not know, took large blocks of rental units in the south end of the city and sold them to a Vancouver development firm for, I think, \$17,000 per unit, an absolutely obscene piece of business which they maintain is part of some great, coherent federal housing program but which is

kind of a bandit approach that scuttled your plans, I take it, rather neatly. Is that right?

**Mrs. Henderson:** That was the south end of Oshawa. We still sold 240 units in the north end of Oshawa.

**Mr. Breagh:** Yes. So your sales at McLaughlin Square were relatively successful.

**Mrs. Henderson:** One hundred per cent successful.

**Mr. Breagh:** And on Mary Street?

**Mrs. Henderson:** Thirty per cent on Mary Street and 100 per cent on Glovers Road.

**Mr. Breagh:** So how many vacant units do you have in Oshawa?

**Mr. Riggs:** We have 35, as of the summary I have of November 30. We have 24 on Mary Street, 10 at Glen Street and one at McLaughlin Square.

**Mrs. Henderson:** There are eight at Glen as of today.

**Mr. Riggs:** They change.

**Mr. Breagh:** So you still have some vacant units. Are you renting those at market value? Is that your policy?

**Mr. Riggs:** It would be close to the low end of the market.

**Mrs. Henderson:** Yes. Low end of market.

**Mr. Breagh:** What is that?

**Mrs. Henderson:** About \$440 to \$500 on Mary Street.

**Mr. Breagh:** Is that a one, two or three bedrooms?

**Mrs. Henderson:** Two and three bedrooms. Two bedrooms would be \$440 and three bedrooms would be \$500.

On Glen Street, the rents are lower. The three-bedroom on Glen Street would be approximately \$440.

**Hon. Mr. Bennett:** If I owned one of those units, let's say a two-bedroom, what would my principal, interest and taxes be and common charge?

**Mrs. Henderson:** You would probably be paying close to \$550 or \$600 per month.

**Mr. Breagh:** I wouldn't argue with that. This has gone on for quite a while and it is really a sad, sad story of governments falling over themselves to try to do something. At some point in the history of the world, somebody is going to sit down and write this all together and boy, it is stupidity personified. Two levels of government intervened with some good inten-

tions, but the stupidity involved and the kind of conflicts that run off between CMHC and the Ontario Mortgage Corp. are just horrendous and the upshot of it all, I think, is sadness all the way around.

There was a snowball's chance, I think, to salvage some of this. You took some actions which I thought were a little crude at the time, but I at least admit you had a bit of a rationale going. But the federal government, in its eminent wisdom, managed to scuttle that almost totally with its actions. So a pox on both your houses.

**Hon. Mr. Bennett:** In fairness, I appreciate your comment that maybe in the long term we made the best decision. We did not have a great deal of room for decision when somebody did not start paying the mortgage, like the developer. We did not have a great deal of choice but to move in and try to secure whatever investment you happen to have with the mortgage corporation.

**Mr. Breagh:** Okay, but you beg the argument. I was there when the province came to the regional council and the Oshawa council and said: "We have these really hot housing programs. One of them is federal and we will piggyback the provincial program on it."

We sat there and said to your people: "We think there is a need for that kind of unit in our area and we admit we have land that is easily and quickly developed, but we think you are going to put an imbalance into the market. We also think you are offering housing to people that they can get into all right, but we are not quite sure of the end details of this. We are also not sure that people, although they will get into your units, will be able to carry them. We would like to see the fine print as to exactly how they are going to pay back all of this free government money."

I have sat through all of the quit claim stuff where people came to my office and said, "This is fine, but they did not tell me that three years down the line there would be an additional \$150 or \$200, and we cannot carry it and we are going to leave." I have watched the stupidity of two levels of government just carry this through the mud all the way and it is still not cleared up. The stupidity, instead of getting better, is getting worse.

**Hon. Mr. Bennett:** I do not mind being accused of something that we did wrong, but I suggest to you that if you go back and look at the record, you will see that my predecessor, the

late John Rhodes, said at the time—and you will find it in Hansard—that the assisted home ownership program was potentially a disaster for some people, because of the levels at which it allowed people to get into some of these buildings with no guarantee.

**Mr. Breagh:** That is right.

**Hon. Mr. Bennett:** You can backload a mortgage, but some day the day of reckoning comes. You know and I know what happened. I had them in my riding, as you have them in yours, and we had them all across this province. In fairness to the federal government, it thought it was a move in the right direction. Economics changed rather drastically in the five-year period in which people were buying these units. Some succeeded, as you will admit, in staying in the units. However, a great number of them had to give a quit claim and get out.

**Mr. Breagh:** I am still dealing with people who walk into my office. I have not had many from your Ontario Mortgage Corp., but the federal government is still trying to clear out those units. Frankly, it is a problem. Two levels of government got stuck with a lot of repossession because of a program they initiated. They are now trying to get themselves out of that arrangement.

It is a very difficult thing, and it is tough to explain to people that they bought at a different time so there was \$2,000 on the front end of their selling price. When CMHC boots them out the door, some do not get a refund and others get a refund. I appreciate that CMHC and the Ontario Mortgage Corp. want to get out of this business entirely, and I understand that. But the treatment of the human beings involved in this was dismal from both levels.

Your people at the mortgage corporation at last listened to people's problems and showed up at the site. CMHC is beginning to do that a bit, but it certainly is an exercise in how sensitive governments can be and how much trouble governments can get people into over that were, quite frankly, election programs. There is no question in my mind; those signs went up with the trilliums on them and the ministers were down there cutting ribbons like mad at ground-breaking ceremonies. They exploited to the hilt how wonderful the federal and provincial government were in getting people houses for nothing.

People did not read the fine print. That is true. It is true that a really sharp person familiar with land deals would have taken a look at that

fine print and said, "This looks awfully sweet today, but three years from now it will not look so sweet." The upshot is that people who bought into those units have suffered a great deal. You have not done much in terms of providing really good housing for people. Some people have it and some do not, but the financial problems that were caused by the two levels of government are just abominable.

**Hon. Mr. Bennett:** But how popular they were.

**Mr. Breagh:** I was one local politician who said all this at the beginning and took all the flak from various Tories who were running against me, saying I was against people getting decent housing. So I am a little bitter about it.

**Hon. Mr. Bennett:** You must have been listening to John Rhodes.

**Mr. Breagh:** As a matter of fact, I was.

**Mr. Riddell:** Mr. Chairman, I want to pursue Mr. Breagh's line of questioning about the plans for the land in North Pickering—at least I believe my question applies to the land in North Pickering. It may be somewhere else up in that general vicinity.

I am cognizant of a letter that was issued by W. A. Gibson, a professional architect who is with the chief architect's branch of the community housing wing of the Ministry of Municipal Affairs and Housing, pertaining to a study entitled "Modular Retirement Homes—An Affordable Option." What are your plans here? Does your study pertain to development on land in North Pickering?

**Hon. Mr. Bennett:** Not specifically. It really comes under the next vote. Anyway, that study, as I recall, was done prior to my even coming into the ministry.

**Mr. Riggs:** It is a recent study.

**Hon. Mr. Bennett:** Oh, it is a recent study. I remember the mobile parks study or whatever the heck they call it. Do you want to wait until the next vote? Mr. Pitura reports for that division and it is his field.

9:40 p.m.

**Mr. Riddell:** Surely it has to do with development on land that you people have land banked, according to the information I was given. The study, letter or book, or whatever that went out, indicated there were going to be 500 houses established on this land within the next two years. It went to the extent of even describing the lot sizes and the type of modular homes that are to be constructed on this land. It indicated

that it was 25 miles east and north of Toronto, which makes me believe it has to be in the North Pickering area someplace. All I want is some information on this and then I will tell you why I want it.

**Mr. Riggs:** The study is available. It is my understanding, and Mr. Pitura can correct me, that it was a hypothetical study looking at a modular type of house to be used for retirement. The area was not chosen for any specific piece of land, if I understood the study correctly. It was a proposal for people to discuss and to ascertain whether or not this kind of housing for retirement individuals was suitable.

We choose the east side of Toronto, I presume, because about 25 or 30 miles east of Metro, around Bowmanville, there is now a community with the same kind of concept being developed. The chief architect for the community housing wing was taking that one step further so that the unit itself was more flexible and adaptable to a retired person who might be requiring this because of the change in demographics in our society over the next 10 or 15 years.

From my understanding, having scanned the study, there was not any definite location identified, in terms of North Pickering, in the concept document the chief architect sent out to a number of people in our ministry. I know that because we received a copy of it. That copy is available.

**Mr. Riddell:** No, but is this a government project? Is it to start immediately, because the study or letter of Mr. Gibson referred to development over the next two years? One of the concerns that received this letter was General Home Systems Ltd. in my riding in Hensall. If this project is going to go ahead that firm is extremely interested, because to my knowledge it is the only one of its kind in Ontario that could put out factory-made modular homes and have them ready for use within the two-year period.

All I am trying to do is find some more information on it and to ask whether, indeed, you would be going—if this is a government project—to a firm such as General Home Systems to ask it to get these modular homes constructed. Or are you more apt to go to some place in the United States? I think this is the real concern here. It has happened in the past. Our own industries have been bypassed and you have had these homes factory-made somewhere in the states and then brought up here to Ontario to be constructed on the site. I do not want to see that happen. I guess what I am

asking for is more information so that I can get word to General Home Systems as to what it has to do in order to make sure it is not bypassed if this project goes ahead.

**Mr. Cornell:** We will have Mr. Pitura speak to it, but there is no plan for this kind of development at this time.

**Mr. Breagh:** The proposal which you were talking about in the town of Newcastle is a private developer's proposal similar to a plan which is being developed up near Barrie at Sandy Point, I believe.

**Mr. Riggs:** Yes.

**Mr. Breagh:** It is my understanding that the proposal has been approved, at least in principle. I believe this ministry was involved in some discussion about the type of units that would be used. In fact, and I hate to say this, I believe we are attempting to find suppliers in Ontario who would be capable of providing these modular units. That is about as I much as I know.

**Mr. Riddell:** While you are shaking your head—

**Mr. Riggs:** I think the person who could really verify it is Mr. Pitura.

**Mr. Cornell:** Yes, Mr. Pitura.

**Mr. Breagh:** I am not on the staff of the ministry. I do not want to be caught defending its actions here.

**Mr. Pitura:** I think your answer was pretty good, Mr. Breagh. I am Len Pitura of the community housing wing.

On the study you are referring to, sir, if I can just go back in history to how we started this process, about a year ago there was a report released by the Task Force on Ageing called *A Agenda for the 1980s*.

One of the concepts in that report was that the Ministry of Municipal Affairs and Housing should look at ways and means of promoting housing for senior citizens which would meet demand in the future, a demand not now being met. In one case, modular housing was suggested.

As a result of that task force report on the elderly, the chief architect's branch undertook the study to see whether it was practicable and feasible. In the process of undertaking this study, the branch has circulated copies of the draft report, as Mr. Riggs has already mentioned, to various staff members within the ministry.

Also, it was submitted to the company you mentioned, to see whether we were using realistic cost estimates. Right now it is only in

conceptual stage, to see whether it is feasible or practical and whether there is a market out there.

If this does prove to be something that is worth while considering, then we might submit it forward through the normal processes within the ministry—the minister, Management Board, cabinet, that sort of thing—to see whether it should be proceeded with. It is really a study in its early draft stages and we are just trying to get comments from people such as those in the company you mentioned.

**Mr. Riddell:** Then I guess I would be more interested in knowing the contents of Mr. Gibson's letter. As I indicated, there was reference made to this kind of development going on somewhere east and north of Toronto, about 25 miles from Metro. It talked about the provision of these modular homes over a time frame of two years.

**Mr. Pitura:** I cannot comment specifically on the letter, but I think that Mr. Gibson might have been writing in reference to a development on the shores of Lake Ontario, about 35 miles east of us, which has been in the development stage for approximately 10 or 12 years. I believe it is only within this year that they finally received all the approvals to go ahead with that development.

I think Mr. Gibson was trying to show that this has been used in that development. We are trying to see whether we can come up with something even more economical, with no specific piece of property in mind yet.

**Mr. Riddell:** I am well aware of the concept. As I said, I have Grand Cove Estates in my riding and then there is Sandy Cove Acres in my riding. I believe both are owned by the same person, Mr. Rice.

**Mr. Pitura:** Yes, that is my understanding.

**Hon. Mr. Bennett:** There is one out here at Lewcastle as well.

**Mr. Riddell:** It is an excellent concept. I have talked to mostly retired people who live in these modular homes. They are extremely happy with the facilities. They own the home but they rent the property for a very nominal rental fee. They have their little clubhouse there. Of course, Grand Cove Estates is just across from one of the best golf courses you will find anywhere. There is no question in my mind that this is the way we should probably be going for retired people down the road.

All I am saying is that if there is any move to go ahead with this in the North Pickering area, I

am putting a plug in now for General Home Systems Ltd. I believe they are the only industry in Ontario that could put out these factory-made modular homes in the numbers you would want over a short period of time. Do not overlook them. For gosh sakes, do not go down and get somebody in the states to manufacture these bloody homes and then bring them to Ontario, because it could mean jobs in my riding.

We are in an industry-deficient area. We have agriculture and this type of thing would lend itself very nicely to the agricultural industry. It is a clean industry. It is not going to pollute the crops and what have you. If you are going to go ahead with the project, do not overlook General Home Systems Ltd.

**Mr. Pitura:** Thank you. We will take your advice.

9:50 p.m.

**Mr. Chairman:** Now that we have had that commercial plug for General Home, are there further questions on the real estate program, Mr. Epp?

**Mr. Epp:** I have some questions on the Ontario Land Corp., but in the interest of time I will be glad to pass it by and go to the next vote, because I have a number of questions there and I know we still have another vote before we get to municipal affairs.

**Mr. Chairman:** Fine. If there are no more questions on vote 2403—

**Mr. McClellan:** Mr. Chairman, I would like to request one piece of information. This will take only 30 seconds. The minister was kind enough to supply us with the number of units with a geographic breakdown under the ORCL program. Could a list of the recipients of those loans, with the amounts, be added to that list?

**Hon. Mr. Bennett:** Are you talking about the Ontario rental construction loan program? You want to know who the applicants happened to be?

**Mr. McClellan:** Yes, by amount and geographic location. We already have the number of units by geographic location. Can we have the identity of the recipients as well?

**Hon. Mr. Bennett:** We can tell you to whom we gave the mortgage and how much it was for.

Vote 2403 agreed to.

**Hon. Mr. Bennett:** Mr. Chairman, it might be advantageous if we look at votes 2404 and 2405

together, because they both come under Mr. Pitura.

**Mr. Chairman:** Agreed.

On vote 2404, community housing program, and vote 2405, Ontario Housing Corp. program:

**Hon. Mr. Bennett:** Mr. Chairman, I would like to turn to the housing activities of the ministry for a moment. The success of the municipal nonprofit housing program administered by the province continues, but constraints on social housing unit allocations by the federal government have not allowed us to proceed with the number of units that we would like.

For example, in 1982 the federal government allocated 2,818 units of social housing for programs administered by Ontario. In 1983, despite our pleas and those of many others for an increased allocation, this was reduced to 2,160 units. Unfortunately, there are strong indications from Canada Mortgage and Housing Corp. that the 1984 allocation will not likely be any greater than the current year's. We are supposed to have that allocation, according to our agreement, by the end of December of each year, and there does not appear at this time to have been any move in that direction.

The allocation cutbacks have also meant that the number of commercial rent supplement units we arranged for the rent-geared-to-income tenants has been cut, as indicated earlier in our estimates, to about 300 units this year compared to 600 the year before. This reduces our flexibility to provide rent supplement units where there is an acute need in a community.

Meanwhile, under the Ontario community housing assistance program we are supporting some 1,500 rent-geared-to-income units in private nonprofits and co-operatives by March 1984, which is 100 per cent supported by the province.

In the light of limited resources, the ministry has looked at areas in which the public sector can encourage the creative development of new housing and the preservation of existing accommodation. Four months ago I introduced the convert to rent program, which is expected to result in the production of some 2,600 new rental apartments from space that was not designed originally for housing.

We hope to show that existing nonresidential property, such as warehouses or vacant space above stores, can be put to better use instead of relying on new construction to meet housing needs. The program was expanded recently and now covers Barrie, Brantford, Cornwall, Guelph,

Hamilton, Kingston, Kitchener, North Bay, Oshawa, Ottawa-Carleton, Peterborough, Sarnia, Sudbury and Metropolitan Toronto.

At the time the convert to rent program was launched, I also detailed two pilot projects to conserve the province's older rental stock and to create new rental housing within existing single-family dwellings. Through these pilot projects we will be able to focus on the advantages, the obstacles and the issues in making better use of existing stock and to share our experience with the public at large.

My ministry has continued to urge the public to take advantage of the opportunities provided for renovation activities to improve the energy efficiency of housing in this province. A comprehensive set of booklets and fact sheets aimed at providing home owners with reliable information on energy conservation continues to be popular. About one million copies of the original booklet in the series, *First Seal Your House*, have been distributed in this province.

Here to discuss in greater depth the activities of the community housing wing is the assistant deputy minister, Mr. Pitura. Mr. Pitura will also cover vote 2405, on the Ontario Housing Corp., which remains the largest and most sophisticated assisted housing agency in the country, subsidizing one in every 10 rental housing units in this province.

The corporation continues to provide housing for some 200,000 less fortunate families and senior citizens in more than 300 municipalities in the province. The challenge facing OHC in the future is one of controlling the public housing subsidy in times of constraint, while maintaining an ageing housing stock and without reducing its level of service to its public.

Public housing subsidies have grown to the point where they are now approaching \$6 million a week. In an effort to reduce expenditures, the corporation has embarked on a number of cost-cutting measures, including an across-the-board reduction in budgets of its 61 housing authorities of three per cent in salaries and benefits and 7.2 per cent in direct operating expenses.

Meanwhile, the corporation continues to meet the challenge of repairing and renovating its ageing housing portfolio. This public housing stock represents a \$3.3-billion investment by Ontario. Preserving it for the future requires that one and two per cent of its replacement value be budgeted for in the way of repairs and renovations each and every year.

Mr. Pitura will also, along with his able staff

cover for us the area of Ontario Housing Corp. With him is Mr. Beesley, who is with the housing corporation—I guess he is out for the moment—Sylvia Davis, who is working in the conservation area of our programs and Crom Sparling, who works on and fits together all kinds of facts, figures and details the members of the Legislature constantly ask for.

**Mr. Epp:** Are you going to group these two votes?

**Hon. Mr. Bennett:** I suggested it, since they are really related.

**Mr. Breagh:** I agreed to it 10 minutes ago.

**Mr. Chairman:** And I accepted the agreement on behalf of everybody.

**Mr. Pitura:** Mr. Chairman, Sylvia Davis and Crom Sparling have already been introduced. What we want to show you this evening in a very short period of time is a broad area of the long-range and short-term shelter policies. We thought this information would be useful as a background against some of the activities we carry out.

We will discuss some of the demographics that affect the demand for housing, we will look at the makeup of our existing housing stock and we will look at the condition and use of the housing stock in Ontario. Lastly, we will look at some of the mix of programs and activities we undertake in order to address some of these problems. I will ask Crom and Sylvia to carry on with the presentation.

**Mr. Sparling:** Mr. Chairman, to start with, we are going to have a look at some of the major issues we see in the housing field today. The five that are listed up here are the collective opinion of the various policy people in Mr. Pitura's wing.

First we have the continuing low vacancy rates in rental housing, which is a continual stumbling block.

**Mr. Riddell:** Thanks to rent review.

**Hon. Mr. Bennett:** No comment.

**Mr. Breagh:** He is for high interest rates and against rent review. Do not pay any attention.

**Mr. Chairman:** Could I have that again? I did not hear you.

Interjection.

**Mr. Epp:** No, he is not suggesting that.

**Hon. Mr. Bennett:** Oh, I thought that was the inference of the remark.

**Mr. Chairman:** The right wing of the Liberal Party is.

**Mr. Sparling:** The second major problem we see is the affordability problem for some in the rental housing field. We will see what we mean by "some" a little later on. The third point is the uncertainty in the home buying market; it is very volatile, up and down. There was a tremendous boom this spring and it is now in the doldrums. Mortgage rates are a continuing long-term concern as well. The last two points deal with the existing stock, its condition and use. This is Sylvia Davis's area and she will be talking more about this after I am through.

10 p.m.

First of all, we are going to talk about people, as people really generate the demand for housing. We will look at some big changes that have occurred in the housing makeup in the past 30 years.

The first point to note here is that our population is currently around eight million people and our growth rate is declining quite substantially. That means the population is still going up but at a much slower rate. Just to give you some ideas from this chart, in 1974 our growth rate per year was 1.8 per cent. In 1981 it is about 0.6 per cent and in the year 2000 it is projected to be 0.2 per cent. So it is flattening out.

Another thing to notice from this particular chart is that within the makeup of the total population, some groups are changing much faster than others. There is the slow, steady growth of the senior population, the 65 plus. But the dramatic changes occur in the younger age groups, the zero to 24 category where we have a substantial drop. There is an absolute drop in numbers in that category to the end of the century.

The next series of slides tries to take specific age groups and break them out over time. I am going to look at three specific age groups here. The first is 15 to 24 years, and these are the traditional first-time renters. The second group we are going to look at are those 25 to 34, the traditional first-time home buyers. The last group we will look at are those 65 and over. Of course, they have their own set of problems and concerns, being seniors.

When we look at the first slide, 15-to-24 years old, we can see that right now we are into a negative growth period. This corresponds to the previous slide where the population in the zero to 24 year group is dropping off. Here we focused on those 15 to 24. As I say, they do very dramatically affect the demand for rental housing. We can see there is quite a drop.

Just to give you an idea of some of the numbers, to the end of the century this particular age group is going to decrease in the order of 400,000 people. Even in the years 1981 through 1986, we are talking about a decrease of about 100,000 to 120,000 people.

The next slide, mind you, is tracking that group just a little bit older. This group, as I say, are the traditional first-time home buyers. Here we see that we still have positive growth in the period 1981 through to 1991. To give you an idea of the numbers here, from 1981 through to 1986, the 25-to-34-year-old group is going to increase by about 100,000 to 120,000 people. So there is still going to be pressure from first-time home buyers, as you can see.

The last slide, where we have added the 65 and overs, gives you an indication that we have slow, steady growth in this particular age group all the way through. Of course, this will put pressure on housing, on social services and on all kinds of pretty cost-intensive services the government has to provide.

That is a very macro look at people, but households are a different thing. It is really the households that put the demand on housing, not the individuals. The point here is that we have had a fairly large change in our household makeup in the last 10 to 20 years. In Ontario, and this is based on the various censuses we have had in 1971 and 1981, in this 10-year period, there have been some pretty substantial shifts. Families with children have declined from 51 to 42 per cent, and couples and singles have increased from 40 to 49 per cent. In a 10-year span, these are quite substantial changes.

The other point to note from this particular slide is that the average household size itself has dropped from 3.4 to somewhere between 2.8 and 2.9. The implications that are shown here in the lower corner are that, obviously, if we have smaller households, we have to think about smaller units; and if we have an awful lot of singles and/or couples that have traditionally tended to go into rentals as opposed to ownership, there will perhaps be some pressures in that direction.

What we have next is a more focused look at Toronto. It is over a much larger time span—30 years—to give you an idea of some of the very fundamental changes that have occurred in the post-war period. For instance, one-person households have gone from six per cent to 38.5 per cent, a tremendous change.

The next interesting point to note is that while the population in the city itself has gone down,

households have gone up quite substantially. This means there is a requirement for more individual units, but the infrastructure we have is being used less and less.

The city of Toronto has an infrastructure that could cope with in the order of 800,000 people. We are talking of roads, fire, sewer, etc., and social services, too. We now have a dropping population but an increasing number of households. What this means is that the infrastructure was built to accommodate a population we do not have any more. This is an area where Sylvia Davis's people are focusing their energies and their attention.

In brief, if we put these trends together, they translate into a steadily decreasing growth in the absolute numbers of households coming on stream every year. We are more interested here in the general trends than in the absolute numbers; some population projections being worked on by the Ministry of Treasury and Economics may change these a little. There are several trends to notice, the first of which is the steady downward trend, the fact that the ratio of nonfamily to family households is changing a little.

I will take a second here to explain this chart. On the lefthand side are numbers in thousands. At the top are 90,000 households. Across the bottom are the various year categories in five-year segments. The two cross-hatched areas represent family households and nonfamily households.

Let us take the period from 1971 to 1976. There was a total of 81,400 households produced and, of that, 33,200 were nonfamily households. If we look at the period from 1976 to 1981, where about one in two households was a nonfamily household, we can see that changes substantially to the end of the century. By then we will be looking at about one in four being nonfamily households.

We have had a tremendous increase in the last 20 years of nonfamily households. That increase will taper off and we will revert to a slightly more traditional mix in our next 20 to 30 years. What this means is that there have been great pressures in the past on smaller units and on rental housing.

If you take 1971 through 1981, and in particular the 1976 to 1981 period, almost 50 per cent of the household growth was in nonfamily households. That would mean very strong pressure on smaller units and strong pressure on rental households, which we have seen. The evidence has borne that out. When the household growth

translated into housing requirements, there is correlation of a steady downward trend. We will not need as many new units every year as we have in the past. It drops off quite substantially towards the end of the century.

The proportion of ownership to rental also is changing quite a bit. This chart is set up, as was the previous chart, in terms of thousands and rental and ownership. Let us take the period from 1981 to 1986 as an example: 60,000 units in total are required, about 20,000 or one in three of which are rental units. Towards the end of the century we are looking at one in seven being a rental unit.

These numbers probably will decrease when the revised population projections from the Ministry of Treasury and Economics come through. We could be looking at something in the order of maybe even 16,000 or 17,000 units for rental for 1981 to 1986, to give you an idea of the decrease.

I should point out that just because we are talking about a drop in requirements, it does not mean there is no demand at all. We are talking about new units being required, and our job is to figure out what kind of intervention should or should not be made by government to ensure that at least these housing requirements are met.

6:10 p.m.

If we look at how all these numbers fall out, we see a number of implications for us. To give you a general idea of the implications, or the thought process we have gone through in the last little while, questions arise automatically about short-term versus long-term needs and stimulation.

I have shown you here that the demand for rental is dropping off substantially. Ironically, one of our concerns is that we should not be overhyping the rental market, for instance, or simply building willy-nilly everywhere, in that we may shortly be seeing a vacancy situation for units that are not well placed. This is an example of the kind of targeting we have to be concerned with, namely, should we be targeting for rental or ownership?

We saw there was a tremendous drop-off in demand for rental. There is a continuing demand for ownership because of those 25- to 34-year-olds. So is it cheaper for us to get people out of rental and into ownership and free up rental that way rather than building new? These are some of the ideas we have to go through.

The viability of the construction industry is a great concern to us. We saw that housing

requirements were dropping off. Housing in Canada is a tremendously labour-intensive activity. We do have some concerns about the viability of the construction industry over this period of dropping demand. One of our major thrusts is trying to figure out how we can get the industry to retool, for instance, and look more at new versus existing.

I am going to talk a little about the actual housing stock itself. Of the three million units in Ontario, we currently have about one in three rental and two in three ownership. You can see there has been a shift in that from 1961. Within the rental stock we currently have there are about 115,000 rent-geared-to-income units. I will come back to that a little later.

I have shown how the stock has been added to in the last 10 years to respond to the decreasing needs that you saw a couple of slides ago. In fact, starts have dropped off quite a bit. This has a tremendous effect on the industry, as I mentioned a few minutes ago. Industry is having some problems adjusting to the decreasing starts and the decreasing demand.

A point to be made here is that government has been involved, either directly or indirectly, in virtually all rental housing in the last five years or so. If we look to the previous slide—the rental is the stuff cross-hatched along the bottom—from 1976 through to the current time we are looking at something in the order of 80,000 units.

About 75 per cent of those have benefited from direct government assistance. By direct government assistance we mean programs where money literally goes to the developer. If we add the indirect assistance through tax incentives, virtually 100 per cent of all rental housing built from 1976 through 1981 has received substantial government assistance.

On the ownership market, the assistance levels are quite a bit lower, although this is pre-Ontario renter-buy and pre the Canadian home ownership stimulation plan. If we looked at the numbers now those would be slightly higher.

Moving quickly along, the purpose of this particular chart is to give you an idea of the substantial differences across Ontario in how our stock is made up. Across Ontario we have about 38 per cent of the stock in rental. In urban Ontario we are looking at a little more, 42 per cent, but some municipalities are very skewed; Ottawa is at 61 per cent.

The point of this—

**Mr. Piché:** I think there is a message there that has been given. There is a mark on the chart that reflects Moosonee, where there is a serious problem.

**Mr. Sparling:** The point of this chart—

**Mr. Piché:** The point I am making is that it is nowhere on the chart. You are not mentioning Moosonee at all.

**Mr. Breaugh:** It must be represented by a rather ineffective member if it is not on the chart.

**Mr. Chairman:** We will put your name on the list for questions.

**Mr. Piché:** I want that last remark wiped from the record. It will not help me at all in the next election.

**Mr. Chairman:** Please carry on, because we are going to run short of time here.

**Mr. Sparling:** The point the chart is attempting to show is that rental problems are obviously much more urgent in some areas of the province than others. It does explain why some of the major dailies in the major municipal areas are covering rental problems quite substantially.

Now we are going to talk a little bit about costs of shelter. This is based on the January 1983 rental survey which this ministry undertook. There are a couple of points to note about it, a little bit of explanation. We are looking at all renters and owners with mortgages and how much they spend on shelter. The renters are really at two extremes. Some 24 per cent of those renters are paying less than 15 per cent of their income on rent and about 22 per cent are paying more than 30 per cent. This is Metropolitan Toronto but the results are generally the same across the province.

As a slight aside, about one quarter to one fifth of the renters who were paying more than 30 per cent of their income on shelter are overconsuming as far as number of individuals for number of bedrooms is concerned.

In addition to those renters in the market, there are a number of renters who are quite protected, those in rent-geared-to-income housing. There are about 84,000 renters who also receive shelter supplements from the Ministry of Community and Social Services. Owners with mortgages are considerably better off than renters. About 48 per cent of owners with mortgages are paying less than 15 per cent of their income on shelter, while only about 11 per cent are paying more than 30 per cent.

In the ownership matter, now that interest

rates are down ownership is about as affordable as it was in the mid-1970s.

**Mr. Breaugh:** May I just intervene? Mr. Sparling has a number of charts and so on, and was wondering whether the visual presentation he has here could be put down on paper because it is not in our book. Likewise, could the other visual presentations be made available?

**Hon. Mr. Bennett:** For some of them, we can. For some of them I do not have any reference because I do not know how you would do them. We could try the one with the maps; it would be interesting.

**Mr. Chairman:** Could the committee proceed quickly? This is a 10-minute bell.

**Hon. Mr. Bennett:** I need three minutes to finish.

**Mr. Sparling:** In the area of cost shelter, I thought I would reference the makeup of the social housing stock. About one in 10 rental units are rent-geared-to-income and in some of the major areas it goes as high as one in eight.

The last slide I am going to show addresses what kind of programs we have at present to address the issues of both supply and affordability. With decreasing allocations from CMHC, of course, our job is becoming more difficult. We do have programs that are in the briefing material and that are listed here. Municipal nonprofit is our major program in terms of activity. There is the Ontario community housing assistance program, the rent supplement programs in their various modes, provincial and municipal assisted housing, rural housing.

Our policy and program development group also monitors the general market and comes forward periodically on the market side as well as the social housing side. Examples of the kind of things we have been doing would be the convert-to-rent program, which Sylvia is going to be addressing, and the Ontario renter-buy of the Ontario construction loan program. If programs like that are going to come forward, that would be our specific mandate.

**Mr. Breaugh:** This was a very good presentation. Rather than have you rush it for the last part of it, I would really like you to come back in the morning and finish up with a little extra amount of time.

**Mr. Chairman:** Yes, and we do have to break off because it is a limited bell.

**Hon. Mr. Bennett:** We will start at the age 0 stock. Sylvia Davis will be our narrator.

**Mr. Chairman:** At 9:30 a.m. tomorrow.

The committee adjourned at 10:21 p.m.

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 Tura, L. F., Assistant Deputy Minister, Community Housing  
 Ggs, R. W., Assistant Deputy Minister, Real Estate Wing; Vice-President and General Manager, Ontario Mortgage Corp.  
 Carling, C., Director, Housing Policy and Program Development Branch, Community Housing









# **Hansard**

## **Official Report of Debates**

### **Legislative Assembly of Ontario**

**Standing Committee on Resources Development**  
Estimates, Ministry of Municipal Affairs and Housing

**Third Session, 32nd Parliament**  
Wednesday, December 14, 1983

Speaker: Honourable John M. Turner  
Clerk: Roderick Lewis, QC

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# LEGISLATIVE ASSEMBLY OF ONTARIO

## STANDING COMMITTEE ON RESOURCES DEVELOPMENT

Wednesday, December 14, 1983

The committee met at 9:35 a.m. in room 228.

### ESTIMATES, MINISTRY OF MUNICIPAL AFFAIRS AND HOUSING (continued)

On vote 2404, community housing program; item 1, program administration:

**Mr. Chairman:** I see a quorum. The minister has a question.

**Hon. Mr. Bennett:** I have to apologize, I am told. No, I am advised that I should apologize.

**Mr. Breagh:** This is a first.

**Hon. Mr. Bennett:** You have not heard it yet.

**Mr. Breagh:** Yes, that is true.

**Mr. Chairman:** He was probably right when he said he has to apologize.

**Hon. Mr. Bennett:** I understand the ministry people had some degree of concern about the security of this room. I do not know why.

**Mr. Chairman:** There are lots of bugs in these microphones, I am sure.

**Hon. Mr. Bennett:** The slide presentation that somebody was to be working from was taken back. What happened from that point to this point, I am not quite sure. The only thing I can tell you is I know it is not here.

**Mr. Chairman:** Maybe Rosemary Speirs has it.

**Hon. Mr. Bennett:** The door is opening.

**Mr. Chairman:** It is coming around the corner.

**Hon. Mr. Bennett:** Sylvia is going to give us a quick overview.

**Ms. Davis:** Thank you, minister. Mr. Sparling last evening was addressing the topic of social and rental housing and new construction.

This morning I am going to address the factors influencing the existing housing stock. Mr. Sparling talked of the changing demographics, the impact this would have on both our existing housing stock and the demand for new construction.

We have a large, aging housing stock. There are, as he said, three million existing units in Ontario today. Fifty per cent of these are over 20 years of age, and 20 per cent of them are over 50 years of age.

We have a unique situation, one we really have never encountered before. There has been such a constant supply of new housing we have only recently become aware in this way of our existing housing stock. We are now being forced to focus on this stock and to reassess its value.

Most of this housing stock is within our existing communities. Seventy-five per cent of the stock needed by the year 2000 has already been built. With the changing demographics and the subsequent decrease in demand, there will be limited outward growth for most of our older existing communities. This is reinforced by consumer studies, which indicate the upgrading of residential property is the preferred housing option anyway.

We also have a high investment in the existing infrastructure, which in turn makes the renovation and preservation option very viable for municipalities that have seen declining population result in underutilization of their existing water, sewer and school facilities.

In support of this, the industry anticipated that by 1983-84 about 50 per cent of the dollars spent in housing would be in renovation. This is for an estimated \$2.1 billion. That is a lot of money.

9:40 a.m.

We have broken renovation down into five major issues of interest. First, is the area of legislation. Through a three-year process of public participation, we have produced a renovation code for residential dwellings in this province.

The new code, which is being introduced as part XI of the Ontario Building Code this fall, provides for compliance alternatives which will allow a more flexible approach to renovating homes without reducing the safety of the dwelling.

Gutting the house will no longer be the only approach to renovating. We can now keep staircases, moulding and all those other niceties of an older house. The expense of widening doorways or hallways need no longer be a problem. The industry feels there will be a cost benefit to both the consumer and the trade, since people will undertake larger renovations than before because the economics will be definitely more favourable.

We have formed a training council consisting of bylaw enforcement and property standards officers, and building and planning officials with the Association of Municipalities of Ontario to look at renovation training and education needs. This work will be completed by next summer. We hope the activities of this council will help raise consumer awareness of the competence of these inspectors.

We are also forming a similar council with renovators, at their request. They feel a need to be brought in line with the new construction industry.

Last year we conducted a study with AMO on the potential and problems associated with intensification and conservation, concentrating on how to make better use of existing resources. One of the very positive outcomes of this study has been the pilot programs mentioned by the minister in his introduction.

One is called add-a-unit. It examines the feasibility of adding a unit to an existing single-family home. The other is conserve-a-unit, which looks at the needs of upgrading older residential properties, particularly those owned by smaller landlords. These two projects are being run in four municipalities to begin with in order to assess their impact.

The third initiative, the convert-to-rent program, provides \$7,000 per unit to create new rental accommodation where the previous use was other than residential. This looks at warehouses, above stores and that sort of thing. The public has come in with some very innovative ideas in this program.

The fourth issue is consumer information. Our studies reveal consumers have greater difficulty with home repairs than other types of repairs, such as automotive maintenance. The industry shares our concern that the image of renovation is being impaired unnecessarily because people are concerned about the whole process of renovation. We will be undertaking some initiatives in this area later next year.

The last area identified is financing. We have been meeting with members of the lending institutions to try to facilitate easier financing procedures for renovators. At present, lending institutions lend money for renovation at consumer rates, which are considerably higher than mortgage rates.

Lenders feel there is a great risk prior to the renovation being completed, because they believe the owner will walk away from the property leaving them holding the bag. As a result, they

put a very high price on the cost of borrowing this money.

The lending institutions have been more than willing to co-operate with us in an effort to overcome this problem. We are working with them to complete a strategy. The ministry feels that making better use of our existing housing stock is a sensible and viable way of providing and maintaining reasonable housing for the people of Ontario.

**Hon. Mr. Bennett:** That ends the presentation, other than to say the bill which will assist municipal building inspectors in trying to advance the cause of renovation rather than demolition has gone for third reading. We hope it will get through before the end of this session.

The committee moved to other business at 9:46 a.m.

9:49 a.m.

On vote 2404, community housing program:

**Mr. McClellan:** Before we get into discussing the vote, could I just ask for some information—it will probably take a while to pull together. What would be the total number of section 56 units that have been built in Ontario—

**Hon. Mr. Bennett:** Seventy-eight.

**Mr. McClellan:**—since the program began, by type?

**Hon. Mr. Bennett:** What do you mean “by type”—family, senior?

**Mr. McClellan:** Family, senior, profit, municipal, private, nonprofit and co-op.

**Hon. Mr. Bennett:** We would not have some of that because we do not have anything to do with it.

**Mr. McClellan:** Whatever you have.

**Hon. Mr. Bennett:** Okay, we can give you what the provincial—

**Mr. McClellan:** The total provincial contribution to date and the total federal contribution. Hello?

**Hon. Mr. Bennett:** I am listening. I have a family so I can do two things at once—listen to my kids and my wife at the same time.

**Mr. Chairman:** At any rate, as much information as possible will be provided, Mr. McClellan.

**Mr. McClellan:** It relates to my concern about the amount Ontario has put in relative to the federal contribution. I would like to have a definitive financial statement so at least we are not guessing about what the dollar amounts are.

**Mr. O'Neil:** Mr. Chairman, I want to ask the minister a question about the convert-to-rent

program. I guess he had established that if the vacancy rate was below—what was it, two per cent?

**Hon. Mr. Bennett:** Two per cent.

**Mr. O'Neil:** Below two per cent; in other words, you would go into those certain areas. I have written you on this same matter but I have not received an answer yet, mainly because I just wrote you last week and I thought I would ask it today. Will you be expanding that convert-to-rent program into some of the other communities, such as Belleville or Trenton?

**Hon. Mr. Bennett:** Yes.

**Mr. O'Neil:** You will be?

**Hon. Mr. Bennett:** I said in my opening remarks here in relationship to convert-to-rent that while we believe we know what the vacancy rate happens to be in a great number of communities—and the Canada Mortgage and Housing Corp. does the testing of the market, not us, not our ministry directly—there are some communities in the province where they do not have a locked-in position as to the vacancy rate, mainly because CMHC counts only those buildings with six units or more and there are a lot of communities in this province that would not have a building larger than six units.

So you could very well find in some given town a vacancy rate of less than two per cent but not identified, in a sense of the word, by CMHC.

If the mayor, reeve, warden or whoever it happens to be in an elected position believes his community requires something and there is a possibility of a convert-to-rent program being put into action in that community, on his request we will look at it.

**Mr. O'Neil:** In other words, the community should request that that be put into effect.

**Hon. Mr. Bennett:** We do not want to find, if we are going in to do a convert-to-rent, that it becomes a competitive program to somebody else who has already established, by his own private funding, an operation in that community. We do not want to find that, as a result of a convert-to-rent, we start to cause a vacancy rate, which is easily achieved in a town, as you know. If you put six to eight units on the market you can have five, six, seven per cent vacancy with no trouble at all, even with a very few units.

**Mr. O'Neil:** I was quite surprised that CMHC did not go into centres such as Belleville, for example, which would be about 35,000.

**Hon. Mr. Bennett:** Belleville would be one they would likely be looking at, because of its population, because they have buildings far in excess of six units that they would have to count as part of the vacancy factor.

**Mr. O'Neil:** I guess they do not have the vacancy rate for Belleville, do they?

**Hon. Mr. Bennett:** Belleville would likely be in the CMA or census metropolitan area, which would likely take in Napanee, Trenton, Belleville and dear knows how much more geographics.

**Mr. O'Neil:** Do you have the figures for that, what the CMA vacancy rate would be?

**Mr. Pitura:** In Belleville?

**Mr. O'Neil:** Yes.

**Mr. Pitura:** We could get it for you; I do not have it with me right now.

**Mr. O'Neil:** I would like to have it if I could.

Mr. Chairman, this brings me to the second subject. I did mention to you yesterday that I would be asking some questions on it because it is an issue that has sort of raised its head in the city of Trenton. It concerns a new project which is almost complete. It is called the Sunrise Apartments and there has been a lot of controversy over it. It is through the Canada rental supply program.

The building, as I say, is almost complete. We find the total amount of loan that was to be put out was over \$400,000 or approximately \$400,000, \$200,000 of which was advanced to the developer. It is our understanding that the \$200,000 was advanced to the developer without any papers being signed. The Trenton Housing Authority is telling us—and I believe it is telling us what is right—that it was not made aware these units, or some 12 or 13 of these 52 units, would be made available to it.

I just wonder what role CMHC, Ontario Housing and the Trenton Housing Authority have played in this so that that developer would receive over \$200,000. Also I wonder why the Trenton Housing Authority was not made aware these units would be available. There are a lot of questions that are raising their heads.

It would appear now that, because it is a luxury building, there is some question as to whether the developer is prepared to give over those units to the Trenton Housing Authority. We have a real need. I think we have over 120 people, individuals and families, waiting for units in the Trenton area. I have some other questions, but you might want to say a word on that.

**Hon. Mr. Bennett:** It is intriguing to hear you make the remark, and I do not attribute this to you, that it would appear the developer did not know what his terms or conditions happened to be when he received the CRSP funding from CMHC.

**Mr. O'Neil:** I did not say that. What I said was that nothing was signed, but it would appear from checking with CMHC that before those things are approved or given out there is a letter that is sent out to the developer. I don't know whether it is a commitment letter or something like that. As I say, I do not know what has happened in this case and I would like to know.

**Hon. Mr. Bennett:** It is clear cut. When the Canada rental supply program was announced, the number of dollars they were going to subsidize each given unit by through the federal treasury was not pegged at \$7,000 or \$17,000. It was a matter of a developer making a proposal to CMHC. If the government or CMHC believed the proposal would answer the rental requirements of that community, they then negotiated how much of an interest-free loan they would receive per unit.

**Mr. O'Neil:** I thought it was \$7,500 per unit, but that is not the case?

**Hon. Mr. Bennett:** No, sir. There was not a locked-in figure; it varied. Bramalea, for example, in the Toronto area, got upwards of \$12,000, \$14,000 and \$16,000. It varied; it was not a locked-in figure. The reason for government participation was clearly spelled out. One of the reasons was that they wanted to make available to a local housing authority, be it in Ontario or any other province, one third of the units for the rent-geared-to-income program.

**Mr. O'Neil:** I understood that has been dropped back to 25 per cent.

**Hon. Mr. Bennett:** No, it has not.

**Mr. O'Neil:** It has not. It is still a third?

**Hon. Mr. Bennett:** One third. In other words, the housing authority can take up to one third. They do not necessarily have to take the whole third. I am not going to try to speak of the specifics of the rent factors in this building. But one third, roughly 17 units in this particular building, could be made available to the Trenton Housing Authority, which they know about.

You know the Trenton Housing Authority has been into a long argument with the developer of the Sunrise Apartments. He, or the partnership, does not wish to make the units

available to the housing authority. That is where the argument comes in.

**Mr. O'Neil:** I do not think it has been long standing. From what I understand, the housing authority is saying it just found out about it a couple of weeks ago. I would be interested to know what date they did find out about it.

**Hon. Mr. Bennett:** The housing authority, I am sure, has known about the units, because under CRSP it was publicly known they were to be made available. The offer had to come from the developer.

**Mr. O'Neil:** Do you have the date as to when the housing authority knew about it?

**Hon. Mr. Bennett:** In June.

**Mr. O'Neil:** They knew about it in June?

**Hon. Mr. Bennett:** Yes. That is a little longer, I think you will agree, than a couple of weeks.

**Mr. O'Neil:** That is why I have the question because I asked—

**Hon. Mr. Bennett:** This difference of opinion has been going on for some time. CRSP had its specifics in that area; one third of the units are available to a housing authority to be used on a rent-geared-to-income basis.

I will not disagree with the remark you made that one of the failures of CRSP was that it allowed units to be built at a capitalized factor that was considerably higher than we would have done under a private nonprofit, municipal nonprofit or co-op program. As a result, we get into a whole different rental factor, and you and I, as taxpayers of Ontario and Canada, must pick up the difference. Instead of doing it on a modest capital investment, we are doing it on something considerably higher.

If you look at the standards that have been incorporated into CRSP, or allowed to go into CRSP—that is a better way to put it—we find virtually every one of those units has the capability at some point down the road of being put into a condominium complex. I can only try to project one of the reasons some people would not like to have rent-geared-to-income units in their particular building is that it could become an impediment some day in the future in trying to do the conversion.

**Mr. McClellan:** If I could have a supplementary, are you saying some of the CRSP projects are being registered as condominiums?

**Hon. Mr. Bennett:** No, I did not say that. I said they were designed with the potential. In other words, the characteristic of the building,

the engineering and so on, has been that, basically, of a condominium.

**Mr. McClellan:** You are not aware that any have been preregistered as condominiums?

**Hon. Mr. Bennett:** No, I am not. Obviously, they would not get in under CRSP. They would not qualify for a rental structure.

**Mr. O'Neil:** One of the things I wonder about in this particular project is that when you are talking about the rent factor, where the rents from this particular building will be somewhere between \$600 and \$700 a month, when you start to put in rent-geared-to-income units, the proportion that both the province and the federal government is going to have to pay—and I guess that is what happens—is 25 per cent and then the balance is shared. In other words, why would this project have been approved? CHMC has to approve, but do you people not have to come in?

**Hon. Mr. Bennett:** No.

**Mr. O'Neil:** At any stage at all?

**Hon. Mr. Bennett:** No.

10 a.m.

**Mr. O'Neil:** In other words, CMHC can put through any rent factor.

**Hon. Mr. Bennett:** No. What we are talking about is approving a design.

**Mr. O'Neil:** The province only approves the design?

**Hon. Mr. Bennett:** No. We do not even do that; CMHC does. In the Canada rental supply program the ministry becomes involved through its housing authority in being eligible to take up one third of the units on a rent-geared-to-income basis. The design, financing and cost per unit is entirely between CMHC and the private entrepreneur.

**Mr. O'Neil:** If these people come along and say it will cost you \$300 to \$400 a month, to be shared between yourself and CMHC, do you automatically pick up those costs?

**Hon. Mr. Bennett:** It is an obligation. I am not saying it is sensible, but that does not seem to be part of the regional decision.

This is just one. We have two or three other CRSP projects where our subsidy could be \$800 a month.

**Mr. O'Neil:** Were you involved in the process of handing that money over?

**Hon. Mr. Bennett:** No.

**Mr. O'Neil:** Not at all?

**Hon. Mr. Bennett:** Not under CRSP. It is entirely a federal responsibility.

**Mr. O'Neil:** I would like to know when that money was handed over and when you became involved in Sunrise Apartments in Trenton?

**Hon. Mr. Bennett:** I have no idea when the money was handed over. It was strictly a deal between CMHC and the private entrepreneurs. This is a partnership arrangement, entirely outside our domain.

I suppose the moment CRSP was approved we would be aware of whatever the maximum number of units happened to be and one third could potentially go into rent-geared-to-income units.

**Mr. O'Neil:** I have the names of several people involved in the project—Les Jones, Wayne Barrett and Tom Schmidt, who I believe is at CMHC.

**Hon. Mr. Bennett:** Right. The first two are Ontario ministry people; the other is CMHC.

**Mr. O'Neil:** How involved are these people with this particular project?

**Hon. Mr. Bennett:** What do you mean by involved?

**Mr. O'Neil:** In other words, when were they brought in?

**Mr. Pitura:** We received a copy of the commitment letter CMHC issued to the owner dated around June 3. This is the first official indication that the project was going ahead. At that time or shortly after, our co-ordinator would have probably contacted the local housing authority and informed them of that, pending the receipt of some details and the owner officially making an offer to the ministry for up to one third of the units.

Because of recent publicity, we have had discussions with Mr. Noble, the chairman of the housing authority, and the owners who came in to meet with Mr. Peters and myself. We are waiting to see whether or not the owner is going to give an offer of up to one third of the units to the ministry for rent subsidy.

**Mr. O'Neil:** I understand they met with you a week ago Monday?

**Mr. Pitura:** Correct.

**Mr. O'Neil:** Have they made any offer to the Ontario Housing Corp. or to the Trenton Housing Authority? What were they asking for?

**Mr. Pitura:** To my knowledge, they have not made any formal offer. We are waiting for the owner to make this offer. We are not certain the offer will be forthcoming because the owner

always has the option to forego the use of the federal funds and not comply with the total obligations. He may make that decision.

**Mr. O'Neil:** When Mr. Panelas and Mr. Whitley met with you, were they asking for considerations in certain areas? I hear that rather than putting family units into a luxury building like this, they were asking that only seniors be put into the building.

**Mr. Pitura:** That was one of the proposals they made. I gather the building is on a relatively busy thoroughfare, with some changes in roads contemplated in the future, coupled with, I gather, the fact there are very few amenities in that development that would accommodate families per se. That is my understanding from the pictures I saw; and the point that was being brought up by the owner-developer was that it may not be suitable for families.

On the question of whether we or the housing authority would accept senior citizens or small-sized families, or in his view no families, we said we were not prepared to discuss that kind of detail in isolation with them, we would have to discuss it with the housing authority which, as the minister has already mentioned, in the long run will make the decision whether to accept or reject. The housing authority takes into account the need, the cost, the turnover on the waiting list and how many of these people are somewhere else on a waiting list.

**Mr. O'Neil:** Here we have this situation where the \$200,000 has been advanced. I do not know whether anything was signed. You are saying the housing authority found out in June. I wonder how a project can go ahead before you determine whether it is going to be one-bedroom units or two-bedroom or families or single people. Do you not have any control over that at all that time?

**Hon. Mr. Bennett:** No; I think the thing members should keep very clearly in mind is that if the owner wants to retain and draw down the balance of \$400,000 to \$500,000 or whatever it happens to be, then he is obligated under the terms of reference of the Canada rental supply program to make available to the local housing authority one third of the units.

Now they might, as Mr. Pitura said, decide at this time, because money is less expensive or because they think they can find another \$400,000 to \$500,000 somewhere else out of their own cash flow or whatever, not to participate in CRSP and, as a result, do not have to make an

offer to the housing authority. They are then on their own for a complete market rental situation.

**Mr. O'Neil:** It is very unlikely the developer is going to go to the private market to try to arrange a mortgage when he is receiving, in this case over \$400,000 interest free for 15 years, which would amount to a compounded amount over 15 years of likely over \$1 million.

Have you had any discussions—either you or any of your officials—with municipal officials in the town of Trenton other than with the housing authority concerning this project?

**Hon. Mr. Bennett:** Not that I know of.

**Mr. Pitura:** Not to my knowledge.

**Hon. Mr. Bennett:** Nor have they asked us.

**Mr. O'Neil:** There was also a comment made by one of the people I mentioned that they had to determine whether the building was suitable for OHC units. That is not the case? You do not have to determine that?

**Hon. Mr. Bennett:** I would say, as Mr. Pitura has already said, I would trust the Trenton Housing Authority, with its knowledge and understanding of the community, would make sure through its administrative staff that the building could meet the requirements of people who are on the waiting list.

**Mr. O'Neil:** We spoke to CMHC yesterday, to the research people. One of the comments that came from them—and I think they have to be knocked a little bit on this particular thing too—was that the money should not have been released until there was evidence the rent-subsidized units had been offered to the province.

You have no idea when those funds were released? In other words, are we going to have to go to the federal people just to find out why that amount was released when it was?

**Hon. Mr. Bennett:** As long as you are holding another \$200,000, as in this case, you still have a fair amount of pressure.

**Mr. O'Neil:** Yes. As I say, I may have some more on this because I certainly want to get some clarification on it. We definitely need the units in the city of Trenton. We have about 120 people or families on that waiting list. We are in the dilemma now where I suppose it is a case of the developer saying, "Okay, you need them and I have them."

I was quite interested when Mr. Pitura mentioned that when they were up to Toronto they did ask if they could accept no families. They

would prefer to have seniors living in that building.

10:10 a.m.

**Hon. Mr. Bennett:** I would like to do an analysis of the building just to see whether it was designed for families in the private market. If it is, then my own conclusion would be that if you built for the private family rental market you would have a hard time telling me why you should not take families under the rent-geared-to-income program.

**Mr. O'Neil:** Of course, this raises another question too, and it could have province-wide ramifications. Here we have a developer who has built a large luxury building and some people wonder, if this thing had not been pressed, might the developer have ended up with the \$400,000 without putting any units in for the Trenton Housing Authority?

What I would like to get from you, if I possibly can, are figures for the total number of other Canada rental supply program projects that have been built across the province, the total number of units and the total amount of money that was given out to developers.

I would also like to know the number of units taken out of the required units that were supposed to be given; why the other units were not; whether developers have got off scot-free on some of these buildings and have not given any of the units; and whether there is a sweetheart deal between the housing authorities and the developers.

I say that and maybe I should not. On the other hand, with that kind of money in this particular project—and you are putting out approximately \$400,000 over 15 years—that developer could come up with about \$1 million he has saved by putting it through this particular program. I would like to know the ramifications throughout the rest of the province; the areas where these CRSP apartments or units have been built; the number of units that should have come in for subsidized housing; and the number of units that did. I wonder if that information would be available.

**Hon. Mr. Bennett:** We will have to try to pull something together. You must remember there are a lot of CRSP units that are not even on the market yet.

**Mr. O'Neil:** I realize that. Besides those that have actually been built and the projects finished, completed and funds advanced, I would like to know those that are on the drawing board.

**Hon. Mr. Bennett:** We can get that. I cannot give you the response on finances because it is none of our business. It is strictly between CMHC and the private entrepreneur. What they do, how they advance it or anything else I would not know and I have never really made it our business to find out.

We are notified, as Mr. Pitura said, when there is a commitment by CMHC for an interest-free mortgage given to a developer under CRSP. That triggers our attention to the fact there could be available to us in that community up to a maximum of one third of the units. Whether we use them or not, or whether the local housing authority uses them or not, will be determined by their waiting list, the cost and all the other factors that are involved.

We can get staff background information and you can extrapolate from it anything you want.

**Mr. O'Neil:** If that could be supplied, then we can go to CMHC and find out why this was. Mr. Pitura, do you have anything else you could add to it that I have not asked and I know you would want to volunteer?

**Mr. Pitura:** No, except perhaps to echo what the minister has said. We do not necessarily have any information on our books relating to the cash, the cash flows or any of the advances and that sort of thing. What we do have are the municipalities where the projects are and the number of units. We have a summary of the offers, acceptances, where there have been rejections and the reasons for rejections. We will be able to supply that information.

**Mr. O'Neil:** I am just wondering if you have talked with your staff—some of the people I have mentioned—to make sure none of those particular people had a discussion that maybe the units would not be required for the Trenton Housing Authority?

**Hon. Mr. Bennett:** Would they? Is that what you are saying?

**Mr. O'Neil:** Yes.

**Hon. Mr. Bennett:** I do not think any employee would have the right to make a recommendation to the housing authority as to what he believes in relation to—

**Mr. O'Neil:** Or to the developer?

**Hon. Mr. Bennett:** No. I think if the employee is in the employ of either the government or the housing authority, he is not supposed to be reporting to the developer. If the developer asks an opinion they might try to express one, but I

think even that would be dangerous because it is up to their authority, not up to them as individuals.

**Mr. O'Neil:** I have one other question about when the Trenton Housing Authority was made aware that these units were going to be built. I have the understanding it was only because of a call to the local housing office that they became aware of it. Also, there was a call—and I do not want to get political—from someone in the local Progressive Conservative association in the city of Trenton, who called Mr. Pitura's office to initiate some questions on this particular project that the housing authority had not been made aware of.

It has been lost somewhere in the housing authority from June until late fall. Did you receive a call from anyone in the local Progressive Conservative association questioning you on this subject?

**Mr. Pitura:** Through you, Mr. Chairman, I had some calls. I did not know what political affiliation the people had. One was from a Mr. Whitley, whom I believe is in the insurance business. I also received a call from the chairman of the Trenton Housing Authority, Mr. Noble, whom I also believe is in the insurance business.

**Mr. O'Neil:** Did you have any other calls besides those two?

**Mr. Pitura:** No, I think those are the only two.

**Mr. O'Neil:** From what I understand, this was a lady. The thing that came back to me was that either yourself or someone in your office had thought it was my constituency office that was calling. This had been relayed to some people in Trenton. Then, at a meeting, either you or someone on your staff cleared up the thing by saying it had not been my office that had called but this lady in the Trenton area.

**Mr. Pitura:** I did not receive a call from a lady in the Trenton area.

**Mr. O'Neil:** Would one of the other members of your staff be able to clear that up? It was just that someone from your office had said it was my office that had called, and it was not.

**Mr. Pitura:** I could look into that and find out.

**Hon. Mr. Bennett:** I understand this partnership is like most legal firms; they have one on each side of the fence.

**Mr. O'Neil:** Which one is that?

**Hon. Mr. Bennett:** The contractors. I understand they have one who knows a friend in

Ottawa fairly well, and one who thinks he knows their friends in Toronto fairly well.

**Mr. Epp:** Lawyers do not do that, do they?

**Hon. Mr. Bennett:** Oh, no.

**Mr. O'Neil:** But I think you will notice, minister—

**Hon. Mr. Bennett:** I am shocked too.

**Mr. O'Neil:** Minister, my questions are not only to yourself, but I also have some doubts about the way the Canada Mortgage and Housing Corp. handled it. I intend to follow that up.

I think when we are dealing with \$400,000 here, who really knows what the total amount will be if we look at it province-wide. That is money coming from you and me as taxpayers; I want to know just what is going on.

**Hon. Mr. Bennett:** The member from the individual community is better qualified to answer it than I am, but I guess the question I would pose at this point is whether the structure being built, whether it be in Trenton, Etobicoke or Ottawa, is really within the price range we should be looking for under the auspices of a federal, provincial or co-operative program. That is the question I think you have to ask yourself.

Under the Ontario rental construction loan program they put a ceiling on the price per unit so we keep the rents somewhat in the middle income factor. I think you are absolutely right. This building is considerably higher in capita value than we would have normally looked at.

**Mr. McClellan:** I would just like to ask one supplementary.

My understanding is, unless I am wrong, that there was no ceiling on the total capital cost of an ORCL project. There was a ceiling on the amount of contribution the province would make to an individual development, but there was no limit on the total cost. There is nothing like a maximum unit price established.

Am I wrong there?

**Hon. Mr. Bennett:** No. We had control on it. Did we not, Mr. Pitura? Our loan factor had to relate to something. Indeed, our loan factor did relate to interest rates as well, if you recall. I could be a very—

**Mr. McClellan:** This is what I am asking.

**Mr. Pitura:** That part of the program did have maximum unit prices in the program outline. For example, one-bedroom units in Metro Toronto, Mississauga and northern Ontario were \$44,000, and three-bedroom units were \$53,000 or more. In the rest of the province, it

one-bedroom unit was \$40,000, and a three-bedroom unit was \$47,500. So there were caps on that.

**Hon. Mr. Bennett:** That is one of the extreme differences between our program and the Canada rental supply program.

**Mr. McClellan:** Okay.

**Mr. Pitura:** Minister, I just want to verify one thing. It is my understanding the housing authority was notified in June, but we wanted to make sure that was actually the fact.

I do not want to mislead the member, in case we do verify it and then find it might have been just a phone call and not in writing, or something like that.

**Mr. O'Neil:** How soon could I find that out?

**Mr. Pitura:** Perhaps later today or even tomorrow.

**Mr. O'Neil:** Why is there some doubt about that? You seemed quite definite when you—  
10:20 a.m.

**Mr. Pitura:** We received the letter of commitment on June 3. I think that is the date of the letter. I do not know precisely the date when, in turn, the staff contacted the housing authority. Rather than say definitely it was done, I want to find out whether it was done verbally or in writing, and when.

**Mr. O'Neil:** But it was done.

**Mr. Pitura:** That is what I was advised.

**Mr. O'Neil:** Is there someone here in the room who would have advised the housing authority?

**Mr. Pitura:** No.

**Mr. Chairman:** I think the commitment should be made to find that out and to be absolutely sure.

**Mr. O'Neil:** Very good.

**Mr. Stokes:** Mr. Chairman, the minister and Mr. Pitura will know of the ongoing saga of the senior citizen accommodation in the township of Nipigon. I will not go over the gory details of what has transpired over the past five or six years since there was a demonstrated need for that kind of accommodation for seniors. However, over the past year or so the township has got its act together and has said this accommodation will be built on Bell Street in Nipigon.

Your ministry called tenders for those units. When you had the results of the tenders, you said they were so far in excess of what you would be prepared to pay for those units that you turned them down. Apparently there were only

three building firms that bid on the project and they were far in excess of what you were prepared to allocate for it.

You went to tender again late this summer. It was still somewhat in excess of what you were prepared to pay.

One wonders what it is with these building contractors at a time when the economy is crawling at a snail's pace and we have so many tradesmen looking for work, that they would bid at such a high rate per unit. It is my understanding you called the three contractors in on an invitation basis and asked them if they would review the cost of the project and perhaps come up with another figure that might have been more acceptable.

I talked to Mr. Palmer in your ministry and I know that a meeting has been or is shortly to be held, but I have not heard the results. I suggest that if these building contractors are still unreasonable or so intransigent, if they do not want to bid for this work at a realistic level, then your ministry simply should take it on itself.

There is ample precedent for this kind of thing in the past, both by your ministry and by the Ministry of Transportation and Communications, which would put out a tender for a road project and if the bids were far in excess of what it felt the job was worth, it said, "We will simply do it ourselves and job it out to people who have heavy equipment who can perform the work."

I know there is some difference between building a road and building a senior citizens' complex, but I think it is literally the only way you are going to bring these contractors to their senses and make them bid in a realistic fashion for the work that has to be done.

What would stop you from hiring a project manager or engineer and bringing in people who are looking for work to build that senior citizens' complex?

The minister will know, as will anyone else who was responsible for such projects within the ministry, a fellow by the name of Cheuk Lem who worked very hard to try to get all the interested parties together to make this whole project a reality. He was not successful.

I know that you have a Mr. Palmer doing that right now, but if you look back at your records you will see that some of the people who made application or had indicated by way of your survey that they needed this kind of accommodation, have since passed away.

It would serve people not only from Nipigon but from other communities such as Red Rock, Dorion, Hurkett and the surrounding area.

Because Nipigon was unable to get its act together for three or four years you have had an application from the township of Red Rock to conduct a survey to allow it to proceed with the construction of these much-needed units. However, saner people are now on the scene and they are being very realistic about it.

They have agreed on a site. The only stumbling block now is the unreasonableness of building contractors who are very difficult to deal with. If Canada Mortgage and Housing Corp., which comes up with the financing, cannot be convinced it should increase that per-unit allowance for this type of construction, why do you not take the bull by the horns and say, "We will do the work ourselves by hiring a project manager" and get on with providing that badly needed accommodation in the Nipigon area?

**Hon. Mr. Bennett:** Mr. Stokes, I am fully aware of the problem we have been having in Nipigon in trying to get the senior citizens' structure in place. I think you and I have had some communications over a fairly lengthy period of time. We are both aware of the difficulties we have experienced and which you outlined this morning.

You are right; we have gone to tender on two different occasions to have 20 units of senior citizens' structure built in that community. It is interesting to note that on the first tender the average unit price—let us start with this, I should back up for just a moment.

The maximum unit price allowed by CMHC, and I want to underline CMHC since it is, as you said, the provider of the funding in my agreement, is \$47,000. That is the maximum unit price per senior citizen's unit in that community.

The first tender we called came in at a price of \$52,750 per unit. People in the ministry sat down with the architect and the low bidder and discussed the possibilities of trying to streamline the price to something more realistic. Obviously that firm was not prepared to come down to the \$47,000 level.

We thought we should go out to a second tender. We reviewed the plans. The second tender was called and it came in at \$55,175 per unit, considerably in excess of the maximum unit price allowed by CMHC.

It is likely that in the next few months we will see CMHC change that maximum unit price; there is usually a variance in it, as you know, on a year to year or every six months basis. When that maximum unit price is adjusted we will look at it again.

10:30 a.m.

Let me suggest to you, Mr. Stokes, that I would not reject out of hand the ministry, or the Ontario Housing Corp. more than the ministry, going back into construction in this particular area. We will still have the same problem, obviously, with the Canada Mortgage and Housing Corp., because we will have to guarantee CMHC we will live within the maximum unit price, whatever it happens to be at the date construction is commenced.

I would like to leave the option open that we review the plans, review the maximum unit price of CMHC again, look at whatever increases in that maximum unit price might come along in the next very short period of time and see what we can do.

I am aware of the need in that community because of the survey we conducted three, four or five years ago, and which, to my understanding, has been updated since then.

We are anxious to see the units started, but we do have responsibility to CMHC to live within the price allocated by them. I am not saying this in any partisan way to blame them for their unit price. We can argue, we have argued with them many times, and we have had them adjust some of the unit prices to accommodate some of the things that had to be done.

**Mr. Stokes:** Mr. Chairman, I do not want to create the impression I am being critical of this ministry, because I know they have done everything humanly possible and everything that could be reasonably expected of a ministry under the circumstances. I know that if we had had the same thinking in the community five years ago that we have now they would have been long since built and I would not be here talking about it five years after the need was demonstrated.

I want to ask the minister, have you had problems in going to tender in similar situations in the north where the costs were expected to be about the same?

Nipigon is about 75 miles from the city of Thunder Bay and there are a lot of other communities that have this kind of accommodation. Why do you suppose we are having so much difficulty with this particular project when it does not seem to have been the case with others under similar circumstances? To what do you attribute the fact these people are not able to trim their costs and meet the upper limits set by CMHC?

**Hon. Mr. Bennett:** I will ask Mr. Pitura to answer that, since he has been closer to the day-to-day negotiations. But before he does so,

if we should undertake the project, Mr. Stokes, would you be available to be our on-site supervisor?

**Mr. Stokes:** Yes, I would.

**Hon. Mr. Bennett:** You would; good.

**Mr. Stokes:** I built my own house 30 years ago, so I know a little bit about it.

**Hon. Mr. Bennett:** It would not be a conflict to have a pension and an income at the same time, from the same source?

**Mr. Stokes:** I will have to have some superior being make that decision.

**Mr. McClellan:** Just so it will be on stream before he retires.

**Mr. Stokes:** I hope so, I hope it is built before I am retired.

**Hon. Mr. Bennett:** Jack wants to be at the official opening. I do not blame him.

**Mr. Pitura:** Mr. Chairman, in partial response to Mr. Stokes, he and I go back a long way in construction in the north, and I think this is just another example of some of the challenges that face all of us in trying to proceed with a project such as a senior citizens home.

Construction in the north has always been a problem. Trying to get contractors interested in doing that work when there are more certain jobs farther south or closer to the urban centres is one factor to be considered. The other thing is that to get employees to work in some of these remote areas is difficult.

**Mr. Stokes:** Nipigon is not really that remote.

**Mr. Pitura:** I know it is not.

**Mr. Stokes:** It is the heartland of Canada.

**Mr. Pitura:** It is the perception that it is remote.

**Mr. Stokes:** The linchpin of Ontario.

**Mr. Pitura:** Having spent three good years there, from 1974 to 1977, I think I can vouch for that.

In the project we had in Red Lake, where we opened tenders about a year ago almost to the day, I think CMHC had to do what they call a spot check on the maximum unit prices and they adjusted them to something like \$52,000 per unit. We are approaching CMHC in that vein to see whether Nipigon should be looked at again because of the special features of that area.

So we hope CMHC will also see fit to adjust them up, taking account of inflation and the problems we are having in getting something going in Nipigon. We will keep Mr. Stokes informed through the minister's office.

**Mr. Stokes:** Would a letter from me to CMHC help it?

**Mr. Pitura:** It certainly would not hurt, Mr. Stokes.

**Mr. Stokes:** Thank you very much.

**Hon. Mr. Bennett:** Jack, who is your federal member?

**Mr. Stokes:** Jack Masters in Thunder Bay-Nipigon.

**Mr. Laughren:** Mr. Chairman, I would like the minister to enlighten me on why we have a housing problem in Sudbury, in a community with a declining population?

**Hon. Mr. Bennett:** Why we have a housing problem with a declining population?

**Mr. Laughren:** Do not mumble, minister. I am here to help you.

**Hon. Mr. Bennett:** If you believe that you can believe that just about anything will happen this morning.

**Mr. Laughren:** What I really want to know is why, in a community where the population is declining, we have a housing problem.

**Hon. Mr. Bennett:** When we were going through the slides last night, a printout of which we are going to give to your critic, we saw that was not unusual in a number of communities across the province, mainly because family composition has changed somewhat.

Family composition changes—for example, where one family becomes two because of separations and so on—put a different demand on the housing requirements. But it is not only demand. The slides also presented, and I think Ross will attest to it, the fact that we also get into a different unit size.

For example, if you go back to one of the slides, we have fewer traditional family households. Families with children made up 51 per cent of the population in 1971. In 1981, 10 short years later, it went down to 42 per cent, a difference of nine percentage points. I would think anybody would admit that is a dramatic change.

Couples and singles went from 40 per cent of our population to 49; then single parents basically seven and eight per cent; and multiple families two and one, so they did not change to any great extent. However, the thing that did change was the average household size. In 1971 it was 3.4 people, and in 1981 it was 2.8.

**Mr. Laughren:** That makes it all the harder to understand why a low-income family in Sudbury would have difficulty in finding a place to live.

What you argue is factually correct, I am sure, but it makes it all the harder to understand why a family would be out in the street.

**Hon. Mr. Bennett:** Not quite out in the street, now.

**Mr. Laughren:** Literally, literally out on the street.

**Hon. Mr. Bennett:** There is the provision of emergency housing through the Ministry of Community and Social Services at the request of the municipality.

**Mr. Laughren:** That is why we moved a family in Sudbury into an unoccupied house owned by CMHC. It was breaking the law, there is no doubt about it. When people reach that stage of desperation, that is what they do. That is why I and others helped them move into that house, and we will do so again.

What is the alternative? People were dipping into their own pockets to help keep this family in a motel. Surely to goodness that is not a way to operate in a community the size of Sudbury. We cannot have that kind of nonsense going on.

That is why, whenever we tried to raise with you the problem of housing in Sudbury and we got all the bafflegab back—

**Hon. Mr. Bennett:** What do you mean, the bafflegab? You got straight discussion.

**Mr. Laughren:** To a homeless family it is bafflegab. The answer was not to provide any more housing but to say, "It is the feds;" and the feds say, "It is the province."

**Hon. Mr. Bennett:** Mr. Chairman, can I interrupt the member? He knows very well the discussion was based around the units owned by the CMHC.

**Mr. Laughren:** That is correct.

**Hon. Mr. Bennett:** The fact was we went to CMHC; and it was not the first time, we have gone to the CMHC a number of times about some of the units they own in various places across Ontario, which they have for sale and which they are not able to sell for reasons best known to themselves, not to me.

We have asked them to put us into a position of being able to rent them on a rent-geared-to-income program, as we would if we could rent them from the private sector.

**Mr. Laughren:** Why do you not buy them?

**Hon. Mr. Bennett:** Because we do not have the capacity under any of the systems that have been provided on a co-operative basis, federally and provincially, that is why.

**Mr. McClellan:** The corporation could buy them.

**Hon. Mr. Bennett:** But the Ontario Housing Corp. is not going into purchasing unless we have a partner. I think we have made that relatively clear.

**Mr. Laughren:** Sure.

**Hon. Mr. Bennett:** Okay.

10:40 p.m.

**Mr. McClellan:** What you are saying is that you are refusing to do it.

**Hon. Mr. Bennett:** No, we are not. You know very well, Mr. Laughren, we went to CMHC and they said they would make available to us 10 or 12 of the units they had in Sudbury.

You asked me to do what I could in Sudbury. I went to the region, I went to the municipality—not for the first time—to ask them to establish a nonprofit housing corporation to get into the provision of housing for people such as the family you are referring to. Your own community has refused to establish a nonprofit housing corporation.

**Mr. Laughren:** And when a community refuses to do that, what do you do?

**Hon. Mr. Bennett:** Our only option, if they will not establish a nonprofit housing corporation for the provision of housing under subsection 56(1), is to take part of the allocation from the federal government and try to find units that are available to us in the private sector, the private sector being either co-ops, private nonprofits or the private individual owning his own building or units and making a portion of those available under that type of program, if you can find them.

**Mr. McClellan:** Let me ask you a supplementary. On the list of ORCL units that were completed across the province you have 123 in Sudbury shown on the list and another 100 under construction. How many of these are available on a rent supplement basis?

**Hon. Mr. Bennett:** I do not have the figures in front of me, but Mr. Pitura can look them up for you.

**Mr. McClellan:** My list says 123 are completed and another 100 are under construction.

**Hon. Mr. Bennett:** There should be roughly 25 units available. You say they are completed. I would have to look to Mr. Pitura or somebody else to tell me whether they are.

**Mr. Pitura:** I am sorry, minister, I do not have the data. I wonder whether anybody from the

Ontario Land Corp. has the data. We can get that.

**Mr. McClellan:** I would be interested to know whether there are actually 25 units taken up. My guess would be no.

**Hon. Mr. Bennett:** I would not be so sure. We will check it.

**Mr. McClellan:** All right, I withdraw my guess.

**Hon. Mr. Bennett:** Mr. Laughren could likely tell us where the 123-unit building is located. I do not know.

**Mr. Laughren:** I am sorry, I missed that.

**Hon. Mr. Bennett:** Mr. McClellan was asking about the 123-unit apartment building that was under ORCL and where it is in the Sudbury area.

**Mr. Laughren:** I do not know offhand. The thing that really bothered me was this question of the region not wanting to set up—was it the region or the city?

**Hon. Mr. Bennett:** I understood the city turned it down and the region seemed to be somewhat favourable. I have not heard back. Can anybody help me as to whether Sudbury has moved any further on the issue?

**Mr. Laughren:** It was the regional chairman who sent you the telegram saying a housing crisis was about to erupt in Sudbury. Indeed, in my view it has and it is continuing. So why would the region make this plea to you in a telegram and then not agree to set up a nonprofit housing corporation?

**Hon. Mr. Bennett:** You would know your people better than I would in that particular.

Heddington Holdings was the developer of the 123-unit building. We have taken up 31 of the units; the minimum they can offer us is 20; but they can go further if they wish, up to 35 per cent.

**Mr. McClellan:** I do not understand the situation. As I understand it, there are vacant CMHC units in the Sudbury area that are for sale. There is an acute housing crisis. There are people who are literally on the street. We have the Ontario Housing Corp. We have an emergency. We have housing stock that is available for sale. I do not understand—

**Hon. Mr. Bennett:** Let me just correct you. The emergency shelter is under the Ministry of Community and Social Services.

**Mr. McClellan:** I am not talking about emergency shelter. We have a housing crisis in

Sudbury. We have people in an emergency shelter. We have people on the street. We have people occupying vacant housing. We have vacant government-owned housing sitting empty which I understand is for sale. We have something called the Ontario Housing Corp.

Leaving aside all the red tape, I do not understand why you cannot purchase a number of units from the Canada Mortgage and Housing Corp., using the vehicle of the Ontario Housing Corp., and make them available.

**Hon. Mr. Bennett:** Then let us start over. First of all, we have gotten into the field of housing. We have agreed for many years, I guess going back into the 1950s, that we are into a co-operative program, federal and provincial. Indeed, at one time it was federal, provincial and municipal. When I became the Minister of Housing, you will recall, I unloaded the responsibility from municipalities and shared it completely 50-50, federal-provincial.

We have continued to supply rent-geared-to-income housing on a co-operative basis between the federal and provincial governments. I know of no authority under OHC to go out now and start purchasing homes from CMHC or from anybody else for that matter.

**Mr. Laughren:** Is there anything that says you cannot do it?

**Hon. Mr. Bennett:** I suppose only the limitation of funding. Let me suggest to you as a taxpayer in Ontario that one of the things you should be very cautious about is that the moment we do it as an individual province we may find there will never be co-operative participation again.

**Mr. Laughren:** With the feds, you mean.

**Hon. Mr. Bennett:** That is correct.

**Mr. Laughren:** Why?

**Hon. Mr. Bennett:** For the simple reason that the feds have the luxury of being able to sit back—and this would not be the first program that ever got scuttled because somebody became very aggressive and decided to gobble up more than he had to—and take the attitude, "Since you are able to do it, Mr. Province, in this case obviously there is no further requirement for federal participation in the program at all."

One of the things we have to be cautious about is that once we start going beyond our terms of reference on a co-operative deal between the federal and provincial governments we are not buying ourselves a long-term single program of responsibility at the provincial level.

**Mr. Laughren:** Let me tell you what Mr. LeBlanc says.

**Hon. Mr. Bennett:** I met with Roméo.

**Mr. Laughren:** Okay, let me tell you what he says. This is a letter to me, dated September 20, 1983:

"As I explained to Mr. Davies in 1983"—Mr. Davies is the chairman of the regional municipality of Sudbury—"25,000 subsidy units are available nationally. More than 7,000 of these have been allocated to the province of Ontario. The rent supplement units within Ontario's allocation are provided directly to the Ontario Ministry of Housing, which in turn distributes them to the municipalities. The decision as to the number of rent supplement units that can be made available to the regional municipality of Sudbury is therefore made by the Ontario Ministry of Housing."

**Hon. Mr. Bennett:** Let us correct what he is saying, because he does it in very nice, interesting, global terms. He says he has 25,000 in Canada.

**Mr. Laughren:** Seven thousand in Ontario.

**Hon. Mr. Bennett:** There are 25,000 in Canada. It took 10 provincial ministers to bring him from 22,500 up to 25,000. You will recall they cut it by 2,500 units and then put them back.

**Mr. Laughren:** Yes.

**Hon. Mr. Bennett:** He says there are 7,000 units in Ontario. Why does he not tell you who allocates the 7,000? Out of the 7,000, 2,160 were given to the province, not 7,000. He kept the biggest portion of them for the co-ops and private nonprofits, which are entirely at his discretion, and may I say without even reference to us as to who is going to get them, without even cross-referencing at times where they are going.

We in this province have found that on one or two occasions we have had a private nonprofit and a municipal nonprofit requesting units and building for basically the same potential tenants. That is the cross-referencing.

So Mr. LeBlanc should tell you that out of the 7,000 about 4,800 are his to do with as he pleases.

**Mr. Laughren:** So 5,000 units, roughly, stayed federal; and that left 2,000 for Ontarians?

**Hon. Mr. Bennett:** It left 2,160 units, to be exact. We actually had 2,200 units, but 40 of them had already been allocated to the rural and native program.

**Mr. Laughren:** And for those 2,160, the funding is 50-50? Is that what you are saying?

**Hon. Mr. Bennett:** No. The 2,160 units are an allocation out of the municipal nonprofit housing program, which was an agreement we signed in 1978 with the federal government. It very clearly says the province has the right to allocate a specific number of units to the various municipalities that have nonprofit housing corporations. The municipal nonprofit builds them.

We have a portion of them that are made available to a rent supplement program. Indeed, we have just changed that from 25 per cent to 35 per cent with a high percentage bonus, if I can use the word "bonus," for physically and mentally handicapped individuals in those communities.

**10:50 a.m.**

Now what happens? When the allocation is given there is a maximum unit price involved, obviously, because it is being built under public funding. The mortgage is written down from whatever they secure it at to two per cent. Now if you go back three or four years ago when money was at 18, 19 and 20 per cent, the nonprofits wound up with a tremendous amount of resource funding to write down rents. It is not quite the same today.

Anyway, the interest write-down was to do two things. First of all, it was to provide an opportunity to write down all the units in the project, not just the rent supplement units, to the low end of market rent. That subsidy factor went in. It was the difference between an economic rent and a market rent at the low end.

That is where the first portion of the money was used up. The second portion, whatever remained in that interest breakdown, was to be used as a rent supplement for those on a rent-geared-to-income program.

When that funding was used up, whatever it amounted to, or if it was used up and you still had not achieved 25 or 35 per cent of the occupancy on a rent-geared-to-income basis, the province became the contributor. At that point our contribution continues to increase until the day will come when the federal contribution, being the interest breakdown, and our contribution will be even.

I admit, and we discussed this in 1978 with Mr. Ouellet who was then the minister, it was obvious that the province was not being asked, on the first day, to be an equal contributor with the federal government under subsection 56(1) of the National Housing Act. On the other hand, we had all the administrative responsibilities of making sure the programs were properly car-

ried out. Indeed, that also applied to some of the other market rent units they were bringing on stream through other programs.

Our contribution will dramatically increase in a relatively short period of time one of these days, obviously, with a change in percentage of units on a rent-geared-to-income basis. It will increase some day; I do not know when.

I cannot tell you, as an Ontario taxpayer, when our position will equal that of the federal government and its contribution; however, that was basically the program.

**Mr. Laughren:** Given all that as factual, what does that mean about the housing problem in Sudbury? I go back to Sudbury and say, "We know there is a problem. This is the debate that occurred in the estimates of the Ministry of Municipal Affairs and Housing." What kind of an answer is that? That does not solve any problems.

**Hon. Mr. Bennett:** I think you have to suggest that it does. Getting into the nonprofit process is something I am not about to dictate to either your municipality or the region.

You can look around this province at the number of municipalities that have established nonprofit housing, such as this area, both in the city and the metropolitan area. In my own area, the city of Nepean is now going through the process and establishing a nonprofit system to accommodate some of its people.

However, in the case of Sudbury, I did say we were prepared to go into the city and take up some of the CMHC units under our allocation program; the percentage that CMHC will give us, which I think is about 12 under subsection 56(1). We took that out of the allocation. We took it away from somebody else and put it into Sudbury.

The other thing is that the 31 units we have under the Ontario rental construction loan program have to have some impact. I see here that a 155-unit private, nonprofit project for senior citizens will be ready for occupancy in December 1983. A portion of those units will be made available to people on a rent-geared-to-income basis as well.

What is the number of units that we have under the Sudbury housing authority?

**Mr. Pitura:** It would be in the order of about 2,200.

**Hon. Mr. Bennett:** Also, our turnover factor is about 10 per cent a year. So we are talking about 200 to 220 units a year on a turnover basis.

When you look at that in conjunction with

what we add under the ORCL program, under subsection 56(1) of the National Housing Act—renting from the private sector even if that happens to be CMHC—plus the other programs, including this 155-unit project, you start to accumulate a fair number of units in the period of a 12-month situation.

I want to make something very clear. I do not think this government, or any other government in Canada, will ever find a way of having a unit sitting waiting for a person when that person comes to apply for it. I do not think that will ever happen. I guess we have one or two communities where we are in that position mainly because of the change in population counts.

**Mr. Laughren:** That is fantastic. My housing problems in Sudbury resolved without ever having had to build, buy or rent a unit. That is fantastic. I am glad I came here this morning.

**Mr. Chairman:** I would just like to remind committee members it is almost 11 a.m. and we decided to move into the area of municipal affairs this morning. I have Mr. Epp on the housing issue and also Mr. McClellan. So if you want to move into municipal affairs this morning we had better move quickly.

**Mr. Epp:** I think what you are trying to say is I should keep it short.

**Mr. Chairman:** Right.

**Mr. Epp:** I will try to go as quickly as I can. We have discussed this on another occasion.

The minister is aware of the Brampton charter, in which his leader promised us 90,000 units a year I think it was, for the next 10 years. That was in 1977.

If we recite some of the figures, even in 1977 we were 10,870 units short. We were 18,290 short the next year; 33,113 short in 1979; 49,873 short in 1980; 39,839 short in 1981; 51,492 short in 1982; and in 1983 we are short 48,185 units. Although I only have the figures to October 1983, so I do not have the full figures, this represents a total in those seven years of 251,662 units. So much for the promise of 1977 to build 90,000 units a year.

The throne speech of 1983, which obviously is written by the government, said: "The people of Ontario enjoy a quality of housing second to none in the world. We plan to maintain this standard with programs designed to stimulate housing construction both to meet the shelter needs of home owners and tenants." As a result of that, and that was earlier in 1983, about eight or nine months ago or whatever it was in April

or May—no, March probably, when the throne speech was read.

**Hon. Mr. Bennett:** Right.

**Mr. Epp:** It was in March of 1983. Following up with that we have had the cancellation of the Ontario rental construction grant and we have had a convert-to-rent program which I think you will admit at best is not working very well.

**Hon. Mr. Bennett:** I did not suggest that at all. That was your analysis, not mine.

**Mr. Epp:** We have vacancy rates in Ontario ranging around one per cent or one and a half per cent; in some places it is regarded as zero per cent. I imagine there were a few units available even at zero per cent, but not a lot of them. We have to admit there are not a lot of units available for rental.

How do you reconcile the promises of 1977 and the throne speech of 1983 with the great number of units that have not been built? How do you reconcile the promises made with the fact of the shortage of units that are so desperately needed?

**Hon. Mr. Bennett:** I am sure the member who is asking the question is aware of the fact that the government's intentions are to co-operate with the private sector and try to develop what we believe is a requirement of the marketplace.

It was never our intention, and I do not think the Brampton charter ever indicated it was, that the government of Ontario was going to move in and construct any number of housing units in Ontario. We said, and we have proven our position correct, that we would encourage the private sector into the development of rental and ownership units in Ontario.

If I extrapolate the member's remarks, since we did not achieve 90,000 units a year by the approach we took we should have gone ahead and built them anyway. It does not make any difference whether there is a pail at the spout of the pump to catch the water; what is the difference, we just let them sit there?

Indeed, if the member would like to go back into his own community he will recall that since 1977 one or two developers have got into a great deal of trouble in building speculative homes. They ran into trouble since the marketplace could not absorb them because we experienced high interest rates and a number of other things.

**11 a.m.**

We encourage the private sector to build what we think is an essential number. I trust you followed the slide yesterday evening which clearly indicated the diminishing market posi-

tion and requirement for housing units, notably in the years from 1981 to 1986 and going even further downstream from now until the turn of the century.

We must use the best knowledge we can acquire. There is one thing I am very proud of in the ministry, for a number of reasons. We have developed a staff that has been able to analyse and project into the marketplace the needs of the people of this province—the population, its growth and its ageing in relation to its requirement for housing and its composition, family size and so on—to the point where I have pride, and you should too.

Canada Mortgage and Housing Corp. and other federal agencies today come and sit with our people to extrapolate and to consume some of the things we have been able to do. Indeed, I have to take their advice; and I trust that anybody in a responsible position would take the advice of some very knowledgeable people, people who have been able to put figures together that can show some degree of rationalization.

We do not deny that when you go back into 1974, 1975, 1976 and 1977 the marketplace was booming. You will recall that at one time we hit 110,000 or 111,000 units in one year, an unbelievable volume of living units in the province in a given 12-month period. But we have watched market situations change since then, and I think it is a wise government that, even though it may have projected that we could get into a 90,000-units-a-year construction program, can adjust it downward to accommodate the capacity of the marketplace.

The member talked about the throne speech. They do not have to be my words, Mr. Epp. You should listen to the construction industry and to people who come here for international conferences relating to housing. We had the United Nations people in this province not so many months ago and one of the things they said was that the quality of housing, not only in Ontario but in Canada, really had to be measured as second to none on a world scale.

Not just the government but the industry and the investors in this province, have had a great deal to do with the leadership in making sure this type of living accommodation was provided for its people, some of it with a great deal of participation by federal and provincial governments through the generosity of the taxpayers of those two jurisdictions.

We are not taking a back seat, nor do we have to do so as a government, in saying that we have

produced for the people of Ontario, through the building industry, housing that is second to none anywhere on this continent. As a government we can take a great deal of pride that we are the second-largest public land unit holder—I am referring to living units—for those less fortunate in North America, exceeded only by the city of New York.

Today we have—as we said yesterday in the debates and I will repeat it again this morning with some degree of pride because it has been accomplished in less than two decades—a capacity of 115,000 units in Ontario for people who require your help and my help through the generosity of the federal and provincial taxpayer and the treasuries of those two jurisdictions.

So I do not think we have to say in any way that we are not trying to do the best we can within the capacity of the system. That is not to be taken by anyone in this room or outside this room as meaning the government still does not have certain things it would like to achieve in the provision of further housing for the less fortunate.

Let me go to the other areas of this throne speech that you wish to raise. The Ontario home renewal program was a good program. I said that to you in the Legislature, I have said it here and I can repeat it. It was a good program, but we wanted 100 per cent—

**Mr. Epp:** We have said it too.

**Hon. Mr. Bennett:** Certainly, I appreciate that; and I told you the other day that any time I get money for nothing and somebody cuts me off, it would not take much from a Liberal critic to stimulate those municipalities to send the minister and others a letter. Obviously, the only thing it is going to cost you is a 32-cent stamp and 14 days in which to get it to Toronto; outside of that it does not cost a great deal.

So when I heard from municipality after municipality, and I had a resolution from the Association of Municipalities of Ontario, it did not really startle me or take me by surprise; I could not believe that anything else would have happened. I appreciated the vote of confidence in the program; I appreciated their support because it strengthens my hand in discussing replacement programs when I am discussing this problem with the Treasurer (Mr. Grossman) and other colleagues in cabinet.

But we realize the significance. We put in 160 million, 100 per cent funding, out of the treasury of Ontario. It was not shared by the cities, it was not shared by the municipalities; 100 per cent was provided by a program of the

government of this province. So I hope one of these days it will come back.

Let me remind you, Mr. Epp, that there is a fair amount of money still out in the community available under the home renewal program.

The member for Grey-Bruce (Mr. Sargent) was asking me what remained in his community. In the counties of Grey and Bruce there is still \$1.7 million in their reserve accounts available under the Ontario home renewal program. That is over and above what comes back to them as a result of the circulation of funding.

**Mr. Epp:** The recycling.

**Hon. Mr. Bennett:** The recycling, that is correct; that is in addition. They still have that amount of money they can allocate for home renewal in those two counties. I do not wish to say the county has all the money, but that is the accumulation within the counties.

Your party and others have said the government has to keep its provincial debt under control, and we should. It is a responsibility not only of the government but of the opposition members to have some concern about this. The long-term financing of this province is going to be for our children and our grandchildren.

However, I admit that some of the programs we would have liked to have undertaken last year were postponed or cancelled for that year because of constraints.

In the current year, in the throne speech of March 1983, we clearly said we were going to try some experimental programs. If you read it, you will see that we talked about them as pilots.

Regarding the convert-to-rent program, I repeat here this morning—I have said it in my speeches when I introduced the program, and I repeat it this morning. I have said it on radio and television, and I repeat it here this morning. We realize some of the problems with convert-to-rent. Indeed, when I talked to the mayors of various municipalities they appreciated the problem.

They also appreciated this type of program, because it could stimulate some activity and construction in the provision of living units. Just as important to the communities, however, is the fact it would take some of the places that are presently sitting idle, such as second and third floors over the commercial areas in Guelph, Kitchener, Cambridge and so on, and put them back as living units.

Why were they not living units? Years ago they were, but because of safety standards and fire regulations it became too expensive to do

the renovation. There was no encouragement by government, federal, provincial or municipal.

We now have a program that will encourage those people. Our advertising program went out with the message and it brought an unbelievable response from small entrepreneurs.

I caution you. You are not dealing with people who are knowledgeable in the construction industry. We are not dealing with people who have had the latest experience in trying to raise a mortgage. We are not dealing with people who have had experience in trying to deal with building codes, zoning bylaws and so on.

I said, and I repeat, there will have to be a great deal of effort by our ministry, with the municipalities, in getting the zoning to accommodate the type of convert-to-rent units we are looking for.

The staff of the Ministry of Municipal Affairs and Housing will spend a tremendous amount of time with each applicant, as we already have with those who have been successful, in taking them by the hand. I do not say that in any disparaging way. I say it from the point of view of what knowledge we have gained from the program so far.

We take them by the hand and lead them from the zoning to the building code, to the contracting and to the arrangement of mortgages. That is an obligation we have undertaken as a ministry, and we are disbursing it extremely well.

That program has not taken off like a rocket, and I said it would not. I very clearly said that it would not because of the complications with which we already understood we were going to be confronted.

Let me go to the next program, the add-a-unit program. Again, we knew what was in store when we got into it, taking into consideration what happened in Parkdale where the municipality was putting some of the add-a-units out of business because they did not comply with the zoning.

At the same time, they were beefing and complaining to you and me as government for not having provided other units for the very people they were throwing out. It was a rather foolish way of going about it.

Anyway, the add-a-unit has become very popular. I think it will become even more popular. However, it takes, again, the understanding of our ministry and its personnel to be able to deal with the individual, perhaps an

older person who is likely asset-rich and cash-poor.

It takes him or her through the whole process of getting that extra unit put in. Indeed, it might even take a zoning change in some cases. It was a pilot project, and it has gone beyond our expectations in its acceptance in the various communities we put it into.

The save-a-unit program, trying to reduce demolition, has been popular. We have also had that well applied for. It is a pilot, and I make no bones about it. It is a pilot program to find out whether or not there is public acceptance of it.

**11:10 a.m.**

It is very easy to sit and knock programs, but at least we have attempted something that no other government in Canada has ventured into at this time.

While the program may be a little slow at taking off—in the case of convert-to-rent because of the complications—it will eventually have very substantial returns for you and I as municipal taxpayers, inasmuch as some of the old warehouses and schools that have been sitting around doing nothing for a long time get back into a tax-bearing position. The number of applications we have as of November 10, which is roughly one month old, is 1,636.

Let me just run through the figures very quickly because I think you would be interested to see where they come from.

In Barrie, we have 25; Brantford, 34; Cornwall, 40; Guelph, 24; Hamilton, 133; Kingston, 34; Kitchener, 50; North Bay, 50; Oshawa, 28; in my municipality of Ottawa-Carleton, 122; Peterborough, 79; Sarnia, 31; Sudbury, 56; Thunder Bay, 32; Metro Toronto, 648; then we go to other communities, with 220.

I see here we have some people from Manitoba and Quebec who have made application as well. That accounts for 30.

**Mr. Epp:** Any from New York state?

**Hon. Mr. Bennett:** No. Santa's Village has not applied yet, but—

**Mr. Wiseman:** Could I ask a supplementary? Is Lanark going to be considered in there?

**Hon. Mr. Bennett:** I have been most generous to Lanark, Perth and all those communities, because of my wife's origins.

**Mr. Wiseman:** Can I tell the four or five places that want it that they can apply?

**Hon. Mr. Bennett:** Earlier this morning, and on one or two other occasions, I suggested we do not have vacancy rates for all communities in

ntario for the simple reason that those that  
ive buildings of less than six units are not put  
to CMHC's calculation, but I did say that if  
ayors or reeves or wardens believe there is a  
cancy-rate factor in their community and  
ish to ask us to review it with them, we will do

**Mr. Wiseman:** Will you tell me how you  
tend to use these findings from the add-a-unit  
nd convert-to-rent pilot projects?

**Hon. Mr. Bennett:** What we are really looking  
is whether the public is interested in that kind  
opportunity. Then, in my discussions with my  
olleague the Treasurer in the next period of  
me, I will have some basis on which to make  
ry firm recommendations.

**Mr. Epp:** What do you plan on doing with it?

**Hon. Mr. Bennett:** Sir, you will find out in the  
llness of time, as Leslie Frost used to say.

**Mr. Epp:** I thought Trudeau said that.

**Hon. Mr. Bennett:** No, Trudeau did not have  
e astuteness to say that.

**Mr. McClellan:** Can I just ask what the four  
l municipalities are?

**Hon. Mr. Bennett:** Ottawa, Toronto, Hamil-  
n and Thunder Bay.

**Mr. McClellan:** Do you have some applica-  
ons in from Toronto?

**Mr. Pitura:** As far as conserve-a-unit goes, we  
ave 38 applications from Toronto covering 338  
its and our total quota for that pilot is 750  
its.

For add-a-unit, we received 59 applications  
r the pilot in Toronto; that would be out of a  
tal quota of 150 we are looking for across the  
ovince in the other three municipalities. The  
rget is 150, we now have 142. For example, in  
ttawa we have 22; Hamilton, 55; Thunder Bay,  
x. That should add up to 142 out of 150 for  
ld-a-unit.

**Mr. McClellan:** Okay, thanks.

**Mr. Epp:** I want to discuss briefly the  
o-ownership issue. Now that bills 32 and 113  
ve been passed I guess it is not possible for a  
oup of co-owners to purchase a building and  
in occupancy of individual units by evicting  
isting tenants. As you are aware, it is also  
egal to falsely advertise the sale of interest in a  
lding as including a right to occupy a particu-  
r unit.

However, the fundamental aspect of this  
sue, which falls under the jurisdiction of the  
linistry of Municipal Affairs and Housing, is

that co-ownership schemes completely sidestep  
the municipal planning process.

For instance, if 20 people are co-owners of a  
20-unit building, and if over time those 20  
co-owners legally gain occupancy of the 20 units  
respectively, the building takes on many but not  
all features of a condominium. The most strik-  
ing of these features is the fact the units are  
owner-occupied. In effect, 20 affordable rental  
housing units have been removed from our  
stock without municipal consent.

Note that municipal consent is required for  
condominium conversions. It is also very diffi-  
cult to gain such consent in many municipali-  
ties. Thus, the co-owner tenants are sidestep-  
ping municipal consent provisions and they are  
doing so lawfully because the Minister of Munic-  
ipal Affairs and Housing has not introduced  
legislation to ensure these conversions to quasi-  
condo units are approved by municipalities  
before they are taken off the rental market.

I am just wondering what your plans are to  
deal with this particular problem in the  
co-ownership field.

**Hon. Mr. Bennett:** My understanding is that  
the legislation produced by the Ministry of  
Consumer and Commercial Relations will resolve  
the problem. That was one of the discussions we  
had with the Ministry of Consumer and Com-  
mercial Relations.

**Mr. Epp:** Under what legislation?

**Hon. Mr. Bennett:** I do not know. I would  
have to go back and look at it.

**Mr. Epp:** It has been introduced or it will be  
introduced?

**Hon. Mr. Bennett:** I am not sure which it is. I  
will look at it. I have not got the answer here  
today.

**Mr. Epp:** The government is looking at this?

**Mr. McClellan:** Are you talking about the  
legislation that was passed?

**Hon. Mr. Bennett:** That is what I think it  
covered, but I will have to go back and check it.

**Mr. McClellan:** They passed it two weeks  
ago, but I do not think it covers the problems.

**Hon. Mr. Bennett:** I would have to go back  
and read over my notes on things we discussed.  
It has taken place over a period of time. My own  
city was one that was involved in a scheme, or at  
least a developer in the city was involved.

My understanding, and I stand to be correct-  
ed, is that the change in legislation that was  
brought forward by Mr. Elgie would not neces-  
sitate any kind of planning change. It was an

ownership and a sharing deal they were involved in. There were several of them. We had four or five around Toronto, if I recall correctly, that were ganging up on us.

I have to give the lawyers full marks. The real estate industry has been very slow in the past couple of years and they have had lots of time to sit around and figure out how to find other ways around whatever legislation has been produced federally or provincially. As they produce one we have to run like blazes to find a way to cover the loophole or what is perceived as the loophole, which I guess in some cases they are.

**Mr. Epp:** Later on maybe you could get the legislation you think encompasses this.

**Hon. Mr. Bennett:** I will check, but I think the legislation is the bill Mr. Elgie brought in. That was the one that was to cover this co-ownership problem.

Let me tell you some of the problems we are getting into. I certainly do not profess to be any expert in the field because it becomes a very interesting legal situation, but I know people in my ministry were very concerned that in the long run some people could be very badly affected under share ownership. It is not like a condominium where when one individual refuses to pay a debt the others are very much in jeopardy as to the financial security of the whole building.

**Mr. Epp:** Have you got the Woods Gordon report this morning?

**Hon. Mr. Bennett:** Yes, sir.

**Mr. Epp:** May I have it, please?

**Hon. Mr. Bennett:** Yes, sir. I do not know why the word "confidential" is on there but it is. Do you want that to include Woods Gordon?

**Mr. Pitura:** Yes.

**Mr. McClellan:** What is that?

**Hon. Mr. Bennett:** That is the report.

**Mr. McClellan:** Are we all getting a copy of the report?

**Hon. Mr. Bennett:** Upon request.

**Mr. McClellan:** I request.

**Hon. Mr. Bennett:** You do not even know what it is but you would like one.

**Mr. McClellan:** I know what it is.

**Mr. Chairman:** Phone the Globe. They probably have one.

**Hon. Mr. Bennett:** Yes, the Globe and Mail has it.

**Mr. Epp:** You will probably get it in the fullness of time.

**Mr. Breaugh:** We have not had a chance to read the Globe yet this morning.

**Mr. Chairman:** Does that end your question, Mr. Epp?

**Mr. Epp:** For now, yes. The next ones are of municipal affairs.

**Mr. McClellan:** I know there is a time squeeze and I will try to be expeditious. I will limit myself to two things. We could go on for a long time but I will not.

The first thing is the way the ministry has been conducting the low end of market survey. This is an issue the minister is familiar with, and I know Mr. Pitura is as well. In my own community, which has a number of Cityhome projects in the Frankel-Lambert development, we had a low end of market survey done by the province.

We had always understood that the low end of market survey would be done within the approximate neighbourhood so that if you are going to move into the Christie-Shaw area you would be paying a market rate comparable to the rent that are being charged in the Christie-Shaw neighbourhood, which is an old, inner-city neighbourhood.

11:20 a.m.

That is not how the market survey was done. If you can believe it, the buildings that were used for comparison purposes for rental units in the west end of the city of Toronto were buildings in the College-Yonge area, as I understand it—buildings that were constructed east of Yonge Street and north of College Street, in a prime real estate area. Second, many of the buildings had been constructed since 1975, so they were exempt from rent control.

Not surprisingly, the low end of market survey, which was based on buildings not subject to rent control and in a high-rent district relative to west Toronto, resulted in very high requirements for a rate increase in the Toronto Non-Profit Housing Corp. buildings, increase so high that a number of people would have been thrown out of their homes if those increases had gone through.

Fortunately, and it is to the credit of the ministry, some reason prevailed; considerable reason prevailed. Some meetings took place between the local aldermen, some of the tenants, myself and officials of the ministry, and some major adjustments were made in the proposed rent increases which prevented what would have been a kind of disaster from taking place.

I want to have some assurance that this year's process with respect to the low end of market survey will not be repeated; that if you are going to do regular adjustments of the rent scale in what is supposed to be social housing and if the rents are supposed to be based not on the economic rent but on the low end of market, you do market surveys based on the market in the community and not on the market in some other community.

There is absolutely no relationship between the market east of Yonge Street and the market west of Christie Street. There just is not. For the life of me, I do not understand what the thinking was. I hope to have some assurance from the ministry that its procedures are going to be adjusted so the surveys take place in the same market, and on rent-controlled buildings, not on buildings that are exempt from rent control.

**Hon. Mr. Bennett:** May I ask Mr. Peters to respond? He has been part of the negotiations that have taken place on low end of market rent, not only in this community but also in those discussions that relate to the city of Ottawa.

**Mr. Peters:** Mr. Chairman, the discussions that were held previously with officials of Cityhome, aldermen from the city of Toronto and Mr. McClellan dealt with the establishment of low end of market rents, as was indicated.

During the time the rents were being established, we undertook with staff of Cityhome to agree on project-specific comparables which would be used in future to establish the annual adjustments to the low end of market rent. The purpose in doing such was to establish a basis of comparison acceptable to Cityhome, which in the first analysis is responsible to present to the ministry recommended rent increases.

I should point out that prior to these particular projects we had a rather co-operative and beneficial relationship with Cityhome. As I recall, we had not experienced any significant conflict in the recommended rent levels. That situation changed somewhat with the projects you made reference to in your remarks.

At this point we have reached agreement with Cityhome on project-specific comparables. Cityhome brings forward from time to time various other proposals as to how it feels the process can be improved. We, of course, respond to those and discuss their position with them.

The latter part of your question related to the sample base on which the rents are calculated. Under the operating agreements of the municipal nonprofit program, we are required to establish the low end of market rents on the

basis of noncontrolled stock. That process, as far as I am aware, will continue unless at some point down the road in discussions with Canada Mortgage and Housing Corp., they are prepared to modify that position.

**Mr. McClellan:** Was that their requirement under the agreement?

**Mr. Peters:** It was certainly discussed at the staff level with regional officials, and the information we received from them was that the process we were going through in relating to the noncontrolled segment of the stock was the appropriate vehicle.

**Mr. McClellan:** Is the agreement in writing between you and Cityhome with respect to how these problems will be solved in future? If it is, I would appreciate any written material you have about it, because I will be asked by my constituents.

**Mr. Peters:** The agreement we have with Cityhome relates to specific projects. It is a tripartite agreement. One clause of that tripartite agreement does talk about low end of market rents.

**Mr. McClellan:** Maybe it would be more appropriate for me to have some discussion with Mr. Pitura and his officials afterwards so I have some understanding of the basis of the agreement rather than take the time of the committee.

**Mr. Chairman:** It is agreed.

**Mr. McClellan:** The only other point I would like to make—the minister is not here, but I am sure he will read this—

**Mr. Chairman:** I am sure he will.

**Mr. McClellan:** Or somebody will put it on a slide show and show it to him.

When you are developing housing programs to conserve housing stock and to add to the existing housing stock, it seems to me one of the things you should be doing as a ministry is getting involved in co-op conversion. One of the problems that is obviously acute in many communities is the loss of affordable housing rental stock because of the condominium conversion process and a whole variety of other kinds of schemes and scams that ingenious lawyers come up with to subvert the intention of the Condominium Act and the Landlord and Tenant Act.

If you are in the business of providing support, encouragement and resources to add what one hopes are affordable units to private housing stock, to conserve units and to convert units in nonresidential buildings to housing purposes, it seems to me there is a fourth dimension the

ministry should be considering, and that is the business of converting affordable rental accommodation to co-op units.

There are a number of advantages in that. It keeps the housing stock in perpetuity accessible for low- and moderate-income people. If you do not do that, we are going to find that in markets like Toronto, where there is just incredible pressure even on the oldest rental accommodation, we are going to have incredible pressure for two kinds of conversion: conversion to condominiums, which will remove that housing stock from the reach of low- and moderate-income households, and conversion to luxury accommodation.

All kinds of apartment buildings are now being renovated. Old two-, three- and four-storey walkups, some of them 30, 40 or 50 years old, are being converted to luxury accommodation, and again this removes them from the majority of people on the market.

**11:30 a.m.**

I hope that as you develop your initiatives in this area of conserving housing you are keeping in mind as a key criterion the need to conserve the housing as affordable housing.

Second, I hope you look at the question of converting to co-op and assisting apartment communities faced with the prospect of demolition, renovation or conversion to luxury condominium, so they have the opportunity, with the support of this ministry, to exercise the choice or option to convert to co-op, with 50 per cent of the units being made available for rent subsidy. At any rate, I put that forward as a suggestion.

We look forward to observing the progress of the three conserving programs. I think I made this suggestion to the minister before he announced the program. Something like the add-a-unit program would be a really useful innovation.

In a community like mine I think there is enormous potential. In all of the inner-city residential neighbourhoods, which in the past have provided the bulk of our rooming accommodation and no longer do so, I think government is going to have to come up with major incentives to provide this kind of accommodation, because it has virtually disappeared from the market.

The reason we have so many thousands of people in Metropolitan Toronto virtually in the homeless category is the disappearance of that whole rooming and boarding-house market, which as recently as the time I was elected was

still characteristic of my community. It really is not any more. In the course of nine short years that market has virtually disappeared.

We support the initiative the minister has taken. We hope again the key criterion will be affordability. I am not sure I see that built into the program. I may not understand it, but I think the key criterion has to be making units available, not on a luxury basis but on an affordable basis.

We are prepared to support these kinds of initiatives, and we encourage you to expand them beyond the pilot stage as quickly as possible and to add that fourth dimension of co-op conversion.

**Mr. Chairman:** Thank you, Mr. McClellan. Are we now ready to—

**Hon. Mr. Bennett:** May I interrupt just before we conclude this vote, Mr. Chairman? I think there is one statistic that Ontarians and Canadians can be somewhat proud of. As I said, our people in the ministry do a lot of research into a lot of market projections and so on. We analyse what goes on. I do not think that we in the province, as taxpayers, take enough note of what we have achieved.

Over the past 30 years, this government in participation with CHMC has achieved something rather remarkable. Forty-five per cent of all public and social housing that has been provided in Canada is in this province. When you take that into account in relation to the fact that we have about one third to 35 per cent of the entire Canadian population, then I think the participation by the Ontario taxpayers, along with the Canadian taxpayers, has done a rather remarkable job over that period.

I must say that while everyone would like to see more units available to accommodate the market, the record we have is one that should not be ignored, regardless of our political calling.

I want to make one other comment—

**Mr. McClellan:** Just let me respond. If you misinterpreted what I was saying as ignoring Ontario's record, please let me make it clear again, as I did in the House when I was addressing the Treasurer, that this province has a record of which it can be truly proud with respect to the provision of social housing.

My concern, just so that you understand it, is that since 1978 I think there has been a fundamental change away from the past policy of accepting a major responsibility for the provision of housing for low-income people. That is my concern.

We have a record unmatched anywhere else in this country from the 1950s until 1978, but I think that from 1978 on you have been resting on your laurels and taking a free piggyback ride on the coat-tails—to use a mixed metaphor—of the federal government.

**Hon. Mr. Bennett:** Which is an Ontario taxpayer as well. Let me suggest to you that, since the 56(1) program came out in 1978—the figure is rather interesting—34 per cent of the allocation under subsection 56(1) of the National Housing Act went to Quebec. Ontario, which has a higher population, got 32.4 per cent of the allocation.

Generally speaking, the argument given by the federal government to us is, “You took the lion’s share of all our other programs prior to 1978.” We took the lion’s share because others did not step up to the table.

We continue to push to get a higher percentage of that social housing, nonprofit and so on, but we have honoured our commitment to the letter of the law and will even go further over the next period of time with a change in our percentage of units under the nonprofit program.

Do not discount our program with the co-ops, which is 100 per cent financed through the Treasury of Ontario.

**Mr. McClellan:** No, I do not. I just think you should be doing more.

**Hon. Mr. Bennett:** You sound like my little fellow when I give him a dime. He thinks it should be 15 cents or more.

**Mr. McClellan:** In 1983 this guy thinks he can get away with giving his kid a dime.

**Hon. Mr. Bennett:** He is only three and a half. Vote 2404 agreed to.

Vote 2404, supplementary, agreed to.

Vote 2405 agreed to.

On vote 2406, municipal affairs program; item 1, municipal affairs:

**Mr. Chairman:** I think the minister will introduce it.

**Mr. Epp:** Minister, before you get into this, is this the only report that Woods Gordon has done for you in the last three or four years?

**Mr. Pitura:** It is the only report they did for me.

**Mr. Epp:** No, I mean the ministry. Would you see if there are any other reports?

**Hon. Mr. Bennett:** I do not recall anything else they have done for us in my time.

Mr. Chairman, since we are going to adjourn

at 12 noon, we will try to complete our slide presentation and everything by 12, and then have all of tomorrow evening to do what you wish with the vote.

I would like to lead off discussions on this vote with three items. The first relates to regional and county cost sharing. The municipalities in most counties and regions currently share upper-tier taxes on a basis of equalized assessment. The taxpayer, and in fact many local politicians, simply cannot understand this system.

What is required, and what we must work towards, is a common assessment base across each region or upper tier, whether that base be five per cent of market value, as in some regions, or 100 per cent as in Muskoka. Only in this way can upper-tier mill rates be the same for all taxpayers in that particular upper-tier system.

Similarly, this is the only way properties will face the same taxes for upper-tier purposes regardless of where they are located. A similar situation could exist within a school board jurisdiction where they coincide with county or regional boundaries.

Turning now to unconditional grants: since 1973, when the current system of unconditional grants was introduced, many of the bases have changed and/or require re-evaluation. Because of this, the ministry prepared a discussion paper to open a consultation process for ideas on simplifying and updating the system of distributing unconditional grants.

11:40 a.m.

The Association of Municipalities of Ontario took up our invitation to lay some ideas for change on the table, and a solid exchange of views has taken place. I hasten to point out that no one has made any hard and fast proposals, to my knowledge, to date. We have simply exchanged ideas and have generally agreed that some changes should be made for the benefit of us all. I have made clear on previous occasions, and I reaffirm today, that I will introduce changes only when I am convinced they are clearly fairer and more understandable to all municipalities.

Finally, let me refer to complaints to the ministry regarding municipal practices. We receive approximately 400 written complaints annually from residents as to perceived maladministration by municipal authorities. A large portion are defused at the local level by the field services offices. The balance are directed to me and are responded to by me after staff review.

Petitions to the minister requesting a full-

scale commission of inquiry are first reviewed informally by the ministry staff with appropriate parties. Staff then file a report for my consideration and final decision. For the five petition requests received this year I was satisfied no full-scale inquiry was necessary. In this fiscal year, however, one provincial-municipal audit was authorized.

Either I or my officials have to keep in mind local responsibility and accountability on matters within municipal jurisdiction. To some extent this final responsibility is misunderstood by the resident. In many cases the proper solution of matters put before the minister is really at the local ballot box.

Finally, where there is an appearance of less than proper practice, the apparent errors are drawn to the attention of the municipal officials and in due course corrected.

Mr. Chairman, those are my remarks, but I want to go back just for a moment to the unconditional grant. We went into this discussion paper, because when I became the minister about two and a half years ago I still heard the complaint from AMO and individual municipalities, my own included, that the formula that had been brought in was still not understandable. Some people felt the ministry could take advantage of them because of their lack of knowledge of the formula. I did not disagree, nor could anyone in this room, I believe, disagree.

We had a discussion paper as a result of that request by AMO and the municipalities, for no other reason. The status quo as far as the ministry is concerned could just as easily be kept as anything else, but it does not simplify or answer the problems that some municipal people are experiencing.

AMO was asked for a response to that paper, by June if possible. AMO really never complained. They said they would do their best to try to bring things together. Obviously, AMO and others had been thinking about the system because they had been complaining, or at least requesting some changes; I would think that if that were the case they must have been thinking about something they would like to do. AMO responded and, as I said in my remarks this morning, we have not gone any further than discussion with them.

Over that period of time other municipalities have also come to us with their concerns and their positions on it. AMO produced some alternatives, as you might be aware, and those alternatives, like anybody else's alternatives,

are strictly something to look at and use for comparison.

The other day I was astonished when somebody said, "Here is a printout that you have done." If somebody would like about 20 pounds of printouts, I will be glad to give them to him. Printouts were requested by AMO. Since we do happen to have the computer within the government, it did not seem wise for AMO to go to an outside source and pay an astronomical amount of money. So, Mr. Epp, if you would like the 20 pounds of paper, you are more than welcome to them.

**Mr. Epp:** I would be glad to have them, but I am wondering where they have been.

**Hon. Mr. Bennett:** You do not have to wonder because they have not been under any disguise or confidential. AMO has them all, because it was its figures that we were extrapolating.

**Mr. Epp:** AMO could not give them to us.

**Hon. Mr. Bennett:** Well, if AMO could not give them to you I sure am not going to give them to you then.

**Mr. Epp:** They were given to AMO in confidence.

**Hon. Mr. Bennett:** They were given to AMO because AMO—

**Mr. Breaugh:** That was a short-lived offer.

**Hon. Mr. Bennett:** Yes, because he has now told me that AMO will not give them to him. I thought AMO had made them a public document.

**Mr. Epp:** I said they were given to AMO in confidence and AMO was not going to distribute them.

**Hon. Mr. Bennett:** They were AMO's figures. They had extrapolated AMO's calculations. They are alternatives.

**Mr. Epp:** That is not what your candidate in Stormont, Dundas and Glengarry is saying.

**Hon. Mr. Bennett:** Our candidate did not say a thing on it.

**Mr. Epp:** Your candidate in SDG is saying he is coming down here to fight the increases you are proposing.

**Hon. Mr. Bennett:** You want to be as false as your leader.

**Mr. Epp:** I am not false.

**Hon. Mr. Bennett:** Sure you are, because that is not what our candidate said at all.

**Mr. Epp:** Yes, that is what Noble Villeneuve is saying.

**Hon. Mr. Bennett:** Noble is a better candidate than you have, that is for sure; but we are not here to discuss the political outcome of a certain election tomorrow. Mr. Epp, I just want to say to you that you have extrapolated the fact that we were doing something at the request of the AMO and now you have translated it into a definite program. There is no definite program.

**Mr. Epp:** You have some proposals that came out of the ministry and those are proposals.

**Hon. Mr. Bennett:** Hold on. You have a hell of a way of translating things. I am not sure whether you took your education in this province or somewhere else.

It is absolutely fascinating, but the paper is underlined and quoted as a discussion paper. They were used singularly and positively as examples, because that is what AMO asked for, examples. To try to do everything verbally sometimes takes a little more verbiage than an example does to show what you are talking about. You know that, Mr. Epp; and if you do not, then you, through just sheer ignorance, want to stay that way.

**Mr. Epp:** So this is strictly a discussion paper and there is nothing really concrete on it, or anything of that nature.

**Hon. Mr. Bennett:** Is that not what I have said?

**Mr. Epp:** It is strictly just for discussion.

**Hon. Mr. Bennett:** Is that not what I—

**Mr. Epp:** What you are really saying is that it is a kind of academic exercise and—

**Hon. Mr. Bennett:** A lot of things we do are exactly that, lots of them.

**Mr. Epp:** It was funny how you backed down on this. Just a few months ago you were saying there were going to be winners and losers, and now you are kind of saying—

**Hon. Mr. Bennett:** You do not even read.

**Mr. Epp:** Sure I do.

**Hon. Mr. Bennett:** What you do is read only what you want to read. I have said in the north and the south, said in your area—

**Mr. Epp:** My area? What were you doing there?

**Hon. Mr. Bennett:** But you do not get home at often, I guess, to hear it.

**Mr. Epp:** I am there every week.

**Hon. Mr. Bennett:** Good.

**Mr. Epp:** There is not a week that goes by—

**Hon. Mr. Bennett:** Well, then read—

**Mr. Epp:** In fact, I am there more often than you are.

**Hon. Mr. Bennett:** I should hope you would be.

**Mr. Epp:** Yes sir, that is true.

**Hon. Mr. Bennett:** I hope you would be.

**Mr. Breaugh:** This is a fascinating interchange. I am amazed that you are in your riding more often than he is.

**Mr. Epp:** That is right.

**Mr. Riddell:** The fact of the matter is that you cannot show what impact your proposal would have on the municipalities in Ontario and what AMO's alternatives were. Surely, synonymous with politics is not dishonesty.

**Hon. Mr. Bennett:** Jack, you can call it anything you want, I am suggesting to you that—

**Mr. Riddell:** I am simply telling you that I saw the fact sheet and I saw the impact your proposals would have on the municipalities, and what impact AMO proposals—

**Hon. Mr. Bennett:** Mr. Chairman, I would suggest to you first of all there were no proposals. Can we get that straight? Will you accept there were no proposals?

**Mr. Riddell:** What is the printout all about then?

**Hon. Mr. Bennett:** There were no proposals. Will you accept that? If you do not, there is no sense in discussing it with you.

**Mr. Riddell:** What was the purpose of the printout?

**Hon. Mr. Bennett:** AMO asked for it and I will give you the same example. You recall we were dealing with section 86 under the assessment. Municipality after municipality asked us, "Can you give us a printout as to how this market value assessment factor will affect us in our community?"

It had nothing to do with whether they were going to implement it or not, not a thing. They wanted some examples. They wanted to have an idea of what could happen. Jack, you are in the farm business and you may even ask the bank to give you a printout on some borrowing for things you want to do on the farm to give you some indication of the implications over the long term.

**Mr. Riddell:** But there had to be a starting point, and the starting point was you had to bring about some change in the present system that is used for cost sharing.

**Hon. Mr. Bennett:** I am going to respond again. It was a discussion paper, with examples which AMO said they would have to have to give them some indication on where we were going. If a discussion paper is a policy paper, then you are the only people who believe it, that it is a policy. We have put out discussion papers at your request, and others' requests, many times. You fellows find a by-election is a great time to confuse the public.

Interjections.

**Hon. Mr. Bennett:** I am going to find out from AMO whether they are going to release them, because it is their information, not mine. That is an obligation. I will go back to them and ask AMO.

**Mr. Breagh:** If we are going to continue this, I think it would be an excellent idea for you to do just that, because it would be worth while for all parties to operate the same—not discussion or policy papers or proposals, so give me a name for these things; what are they?

**Hon. Mr. Bennett:** Discussion papers, printouts.

**Mr. Epp:** Printouts produced at the request of AMO.

**Hon. Mr. Bennett:** The other thing Mr. Epp forgets to point out that I did say clearly in each case including again this morning—and I defy you to go and find where I have said it differently, I defy you—is that no municipality would be ill affected if any changes were to come about in an economic way or financial way in that community.

**Mr. Epp:** You said there would be winners and losers.

11:50 a.m.

**Hon. Mr. Bennett:** No, if you read what I said, I said when you change a program there are bound to be winners and losers, but this province would deal with each municipality fairly and without loss of financing to that municipality.

**Mr. Epp:** So you are not saying there will not be winners and losers.

**Hon. Mr. Bennett:** Go back and read my AMO speech.

**Mr. Epp:** I am just saying—

**Hon. Mr. Bennett:** I said to you—

**Mr. Epp:** You said—

**Hon. Mr. Bennett:** Now just hold on.

**Mr. Epp:**—you would deal fairly with them.

**Mr. Breagh:** I was there. It was a lousy speech.

**Hon. Mr. Bennett:** It got a hell of a lot of applause, though; did it not, Mike?

**Mr. Epp:** A standing ovation for 20 minutes, think.

**Hon. Mr. Bennett:** Your leader said I ran from the hall. I understood I stood and answered questions and had a press conference for three quarters of an hour after. I guess you have a different translation of what it means to run. You fellows must think a walking competition is running.

**Mr. Breagh:** He's got you there.

**Hon. Mr. Bennett:** Thank you, Michael.

**Mr. Riddell:** Long before we ever suggested if we did, that there was a proposal, the town of Exeter requested a meeting with you because the people there were very upset over what they had been sent in connection with the change in the unconditional grant system. You refused to meet with them.

**Hon. Mr. Bennett:** Jack, hold on a minute. Why do you not go back and read AMO's letter? It was a discussion paper and they were trying to find out from the municipality, particularly treasurers and those who operate under the scheme, exactly what they might suggest. That is all it asked for. AMO as the parent body, or the umbrella body, was going to respond to the ministry on the discussion paper. It was only a discussion paper. That was underlined on the front-cover, discussion.

**Mr. Riddell:** It was an odd thing that they did not go back and discuss it with AMO rather than try to set up a meeting.

**Hon. Mr. Bennett:** If you read the letter from AMO that is exactly what it invites them to do. It did not invite them to come to the ministry, because we were trying to get over to AMO its true responsibility in life, to co-ordinate a response from the municipalities of Ontario that it represents. AMO took that responsibility.

In our discussions with AMO leading up this whole discussion paper going out, it was decided AMO would become the co-ordinating body for whatever responses would come to the province in regard to that discussion paper. It was never anything else but a discussion paper, and I underline that. I suggest you ask your clerk-treasurer of whatever community to show you the correspondence from AMO at the time.

**Mr. Breagh:** They were discussing it when I was there. They discussed it in great volume. Some even had buttons printed. It was a tre-

tendous display of affection. They had picket signs.

**Hon. Mr. Bennett:** Eric Fleming was saying to me, and he has been around the ministry a lot longer than I have, there have been discussions of this whole rearrangement of transfer payments since the day they were originally introduced back in 1973.

**Mr. Epp:** I remember the two-volume report you had that Don Stevenson did. That has been tried like a lot of other reports.

**Hon. Mr. Bennett:** What do you call "buried"?

**Mr. Epp:** Nothing has happened with it.

**Hon. Mr. Bennett:** Nothing may ever happen from this discussion paper either.

**Mr. Epp:** You see, you are not even aware of it. It must have been buried.

**Hon. Mr. Bennett:** No. You have this idea that something has to happen. I am saying to you a discussion paper goes out and there is some degree of consensus on something taking place. That is fine. But if I have learned one thing in my short time in political life, both municipally and provincially, it is that there is no sense in thinking you are going to take an idea and move the whole world with you when it is not supported. If you do not have a certain degree of support in any decision you make you had better give some very serious consideration as to which direction you think you want to go. Let me give you only one example of recent vintage, Bill 11 a year ago. Everyone told us we were on the right road for a new licensing act in this province and the municipalities. All of a sudden I do not think there was a chamber of commerce, Kiwanis club, Rotary club, Knights of Columbus, or anybody else who supported anything in the bill.

**Mr. Breaugh:** You might even say it got whacked.

**Hon. Mr. Bennett:** It certainly got ambushed. There was a case where the minister, on the advice of municipalities, industry and others, could not find a common understanding for the moment. To go into that thing and to think you are going to win the battle and lose the war does not make a great deal of sense in the political terms of this province, for municipalities or the provincial government.

**Mr. Breaugh:** Are you saying AMO suggested you withdraw that?

**Hon. Mr. Bennett:** Some municipalities did.

**Mr. Breaugh:** You were doing a little selective consulting there, were you?

**Hon. Mr. Bennett:** If you go back and look at it, you can see where all hell broke loose in some communities, and the municipal councils said to me, "Oh, oh, better do something before we get into trouble."

**Mr. Breaugh:** Some municipalities.

**Hon. Mr. Bennett:** Their judgement is one of the things that government has been based on.

**Mr. Breaugh:** That is an interesting description of the role played by the AMO. Sometimes it is the official spokesperson for municipalities and sometimes it is not.

**Hon. Mr. Bennett:** It is like political parties: sometimes we represent the membership well and other times the party decides its elected people or senior officers do something slightly different. I guess it will always be the same.

**Mr. Breaugh:** Sometimes.

**Hon. Mr. Bennett:** From my ministry's point of view, we have spent most of our efforts in the last year or two trying to get things cleared up with AMO and using AMO as the focal point in communicating back to the municipalities. I suppose at times AMO can also become gun-shy in this situation.

**Mr. Breaugh:** I am not sure it was AMO that was "gun-shy." Some weapons were waved.

**Mr. Epp:** With respect to Bill 11 there was a certain amount of misunderstanding, as you know. No doubt about it.

**Hon. Mr. Bennett:** I actually admitted it here one day, did I not? One of the bad things about it is municipalities did not go and sell it to their boards of trade and chambers of commerce and so on. They allowed distortion of the thing to get to such a point that a lot of them became very paranoid.

**Mr. Epp:** The Canadian Manufacturers' Association said it had never been consulted on it. Accurate or not I do not know, but a number of its members who were at the meeting said that.

**Hon. Mr. Bennett:** I know we as a ministry had consulted with a number of people. I sure would not want to take it on to myself to say that to date we have met with all the organizations. It is easy for the CMA to give us a brief any time it wants. Does it always have to be invited?

**Mr. Epp:** No, I am sure not.

**Mr. Chairman:** Gentlemen, it is just about 12 o'clock.

**Hon. Mr. Bennett:** We will have our slide presentation—

**Mr. Chairman:** We really do not have a chance for the slide presentation now. Tomorrow night at eight o'clock we will be back to finish off the last of the votes, which is municipal affairs, now that we have all the introductory remarks out of the way on that one item.

**Mr. Breaugh:** Is that what they were?

**Mr. Chairman:** I think they were. I assume they were.

**Hon. Mr. Bennett:** I invite you all to come to the main lobby for the opening of the bicentennial of the province of Ontario.

The committee adjourned at 11:57 a.m.

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### **From the Ministry of Municipal Affairs and Housing:**

Davis, S. J., Manager, Housing Renovations and Energy Conservation Unit

Peters, F. H., Director, Housing Field Operations Branch

Pitura, L. F., Assistant Deputy Minister, Community Housing







No. R-26

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# **Hansard**

# **Official Report of Debates**

## Legislative Assembly of Ontario

**Standing Committee on Resources Development**  
Estimates, Ministry of Municipal Affairs and Housing

**Third Session, 32nd Parliament**  
Thursday, December 15, 1983

Speaker: Honourable John M. Turner  
Clerk: Roderick Lewis, QC

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# LEGISLATIVE ASSEMBLY OF ONTARIO

## STANDING COMMITTEE ON RESOURCES DEVELOPMENT

Thursday, December 15, 1983

The committee met at 8:07 p.m. in room 228.

### ESTIMATES, MINISTRY OF MUNICIPAL AFFAIRS AND HOUSING

(continued)

**Mr. Chairman:** I see a quorum.

**Hon. Mr. Bennett:** Mr. Chairman, before this meeting begins, let me suggest to you that the Tories tonight have some reason to celebrate.

**Mr. Breaugh:** Just for the record.

**Hon. Mr. Bennett:** I just want to put it on the record that we were able to describe to the taxpayers of that great community and the voters of Stormont, Dundas and Glengarry—sand, dust and gravel—that we are able to retain a 35-year history in that community. As a result of our honesty and forthrightness in expressing our policies and programs, we were able to retain that riding. Noble Villeneuve, who is an outstanding individual, both because he is a farmer and a businessman and because he is completely bilingual, which is an accomplishment I would love to have been able to achieve, will come into this Legislature in the next day or two in glowing blue colour.

**Mr. Epp:** you have to suggest that is a tribute to a young man who has been outstanding in eastern Ontario.

**Mr. Epp:** If Mr. Villeneuve has, in fact, won, I would like to congratulate him, but I would also like to tell the minister that pride goeth before a fall.

**Hon. Mr. Bennett:** No, satisfaction, not pride. We believe in the good book. I believe in the good book to the point that I believe in supporting at least four or five churches in this province. I have no reason to say that the good book is not something we should all follow.

**Mr. Epp:** You are trying to cover your base every place, are you not?

**Hon. Mr. Bennett:** That is right.

**Mr. Epp:** You cannot miss out on anything.

**Hon. Mr. Bennett:** I am in one ministry, I might be called to another.

**Mr. Epp:** You figure if the good Lord is Protestant, you are going to cover him that way;

if he is Jewish, you are going to cover him that way.

**Hon. Mr. Bennett:** I did not say that. I know which extraction the good Lord came from, and I think it is just wonderful. Do you not, John Lane?

**Mr. Lane:** Oh, yes.

**Hon. Mr. Bennett:** I tell you, eastern Ontario will keep this government solid, strong and Progressive.

**Mr. Chairman:** Thank you very much, minister. That was a good introduction to municipal affairs.

We came here for more than one reason. We come here to celebrate the victory in Stormont-Dundas-Glengarry and we are also going to talk about the Ministry of Municipal Affairs and Housing.

**Hon. Mr. Bennett:** I must say to my staff members who are all here in Christmas spirit, joy and satisfaction, no, I cannot get them into the political arena. I would not want to tarnish any of them with that kind of belief.

What is the easel doing here tonight? Is that for the Christmas message at the conclusion? What is the presentation we are making tonight?

Interjection.

**Hon. Mr. Bennett:** I thought it was to block off Larry Close there, because it is right in front of him.

**Mr. McLean:** Minister, I just want to bring you a Christmas message. The Progressive Conservatives in the Stormont, Dundas and Glengarry riding are leading by 2,800 votes.

**Hon. Mr. Bennett:** Mr. McLean, will you keep us up to date as the night progresses as to what our position happens to be?

8:10 p.m.

**Mr. McLean:** It will just increase.

**Hon. Mr. Bennett:** In other words, we have already crossed the blue line and we are now heading for the goal.

**Mr. McLean:** Yes.

**Mr. Chairman:** Shall we move on to other items of important business?

**Hon. Mr. Bennett:** That was the most important one today.

**Mr. Chairman:** I know it was, but this is also important. Vote 2406.

On vote 2406, municipal affairs program; item 1, municipal affairs:

**Mr. Epp:** It is nice to see your staff here in blooming blue colour. You recall the other day I accused you of having a staff here worth at least \$500,000. I was criticized by some of your staff because they thought they were worth a lot more than that, and some of them were getting paid more than that.

**Hon. Mr. Bennett:** Do you know what? Yesterday, they all came in and said: "Herb Epp says we are worth \$500,000. Why are you not paying us that kind of money?" You are with the union; you have stood on a hornets' nest.

**Mr. Epp:** I said "as a group," but I guess they thought I meant individuals. I will not mention any names.

**Mr. Chairman:** Meanwhile, we have a presentation to go forward with here.

**Hon. Mr. Bennett:** We will start with Les McIlroy. We have Larry Close, the gentleman we have sitting back there.

**Mr. Epp:** Larry is from Waterloo, and we do not pay anybody from Waterloo more than \$400,000.

**Hon. Mr. Bennett:** Just about equal to what the provincial member does not make.

**Mr. Epp:** Does not make; that is right.

**Hon. Mr. Bennett:** That is what I said.

**Interjection:** Do you think it would be out of the way to start the meeting now?

**Hon. Mr. Bennett:** Why? Somebody has a party going on next door, let us go in and join them.

**Mr. Chairman:** Let us move to the table first.

**Mr. Breaugh:** Mr. Chairman, I have some comments.

Interjections.

**Mr. Chairman:** Minister, are you ready to start?

**Hon. Mr. Bennett:** I was ready at eight o'clock. I was here within seconds of it. You fellows measure seconds and minutes. What the hell is the difference? Six of one and half a dozen of the other.

Larry will give us all the lowdown about what

great things we were able to do to retain the riding in eastern Ontario.

**Mr. Close:** Yes.

**Mr. Chairman:** The name, please, for Hansard.

**Mr. Close:** Larry Close, director of municipal financing.

Over a number of years, the Ministry of Municipal Affairs and Housing has been involved in a number of employment generation programs. Currently we are involved in four such programs. Since 1977 we have been employed in the Ontario youth employment program. That is an ongoing program continuing in 1983 and over this winter. Since 1982 we have been involved in the Canada-Ontario employment development program, the Ontario employment incentive program and the young Ontario career program.

With the exception of the Ontario youth employment program, these are funded through the Board of Industrial Leadership and Development. These programs are being administered by the ministry at minimal cost. There has been no additional permanent staff, and only a few casual staff employed to handle the workload.

**Mr. Newman:** What is the percentage of the Ontario involvement in COED?

**Mr. Close:** It is 50:50.

The Ontario youth employment program and the young Ontario career program provide employment in the private sector and are designed specifically to deal with young people between the ages of 15 and 24. OYEP is primarily a summer program, whereas the second program operates year-round. OYEP is totally budgeted at \$30.4 million. During this past year we approved 22,000 employers and created 53,000 jobs. The young Ontario career program is continuing. It is funded at \$25 million with an anticipated 9,000 employers and 12,000, or better, jobs to be created.

The remaining two programs are to help municipalities create jobs. The Canada-Ontario employment development program runs through until June of next year. The Ontario employment incentive program ran through until last spring.

The funding for the COED program was \$110 million from the province. That was matched by the federal government. The province's share of municipal projects was \$41.2 matched again by the federal government. There were 657 municipalities that participated, creating almost 11,000 jobs. In addition, the Ministry of Municipal

affairs and Housing provided—it says \$4.2 million here and it is almost \$5 million now—special grants to over 50 municipalities with particularly high unemployment levels. We made those contributions to assist them in their share of the various projects they undertook.

The Ontario employment incentive program which, as I said, wrapped up over last winter, as funded at \$31.2 million; 728 municipalities participated with about 8,200 jobs being created.

**Mr. Chairman:** Are there questions on that portion of the presentation?

**Mr. Breagh:** I would like to ask the minister couple of questions.

**Mr. Chairman:** You can put it on the record and I am sure he will be glad to respond.

**Mr. Epps:** Is he to be back?

**Mr. Chairman:** I am sure he is. I did not know he had left.

**Mr. Breagh:** He does have that charisma about him.

**Mr. Chairman:** Are there any questions of Mr. Close at the present time?

**Mr. Newman:** How many man-years of work would you have involved with the combined program?

**Mr. Close:** To calculate that number would be extremely complex because with the OYEP program, for example, the minimum number of hours per week is 25 hours. One would have to extrapolate from that to get the 40-hour week. I would say that in the OYEP program the jobs last about four months. Most of the employers take it up for the entire four months.

**Mr. Newman:** For any figures you have, you actually divide by three to get the number of man-years, because if the employee is working for only four months—

**Mr. Close:** No, that is only on the OYEP program. On COED, those were full-time jobs. Those with the young Ontario career program tend to be full-time jobs and OEIP was definitely full-time. It is only with OYEP that less than 40 hours a week really comes into play.

**Mr. Newman:** But I would think there would be no difficulty for you in giving us figures as to the number of man-years worked, because one can easily—

**Mr. Close:** We could extrapolate that.

**Mr. Newman:** —come along and say one knows the number of jobs created but there

could be three or four people involved in one job.

**Mr. Close:** That is true.

**Mr. Newman:** For one day one could have three or four people working.

**Mr. Close:** That is true.

**Mr. Newman:** Actually your statistics do not show the type of picture an average individual would understand. They are exaggerated for certain purposes.

**Mr. Close:** I do not think they are exaggerated.

**Mr. Newman:** The individual who hears your statistics immediately thinks, "That individual is working for a full year." He is not working for a full year. He is only working for a certain period of time according to the program.

**Mr. Close:** Yes, that is true but they are jobs created. That is all the data relate to. If you want to extrapolate from those figures the man-years of actual work created, that could be done. It would be less than the jobs created, certainly, but it does vary.

8:20 p.m.

Interjection.

**Mr. Close:** Yes, the COED jobs I would say on average last about six months but there are quite a few that have gone over 12 months depending on the nature of project undertaken.

**Mr. Breagh:** I would like to make a couple of inquiries about how these programs are put together. The other evening we discussed some of the processes whereby a government can respond. Let me just restrict it to the employment program. Could you tell us a bit about, for example, your ministry's involvement in planning the Canada-Ontario employment development program?

**Mr. Close:** The initial negotiations were carried out by the Ministry of Treasury and Economics and the Ministry of Labour, along with the federal Department of Finance and the federal Department of Employment and Immigration. Those negotiations fairly well concentrated on the amounts of money to be involved. When they got into the actual design of the programs somewhere around mid-November a year ago, we became involved at that point and participated along with those other two ministries in the design of the program.

Mind you, the extent to which we could actually prevail in design was somewhat limited by the federal government. They were operating federally under a couple of acts and their

Financial Administration Act put very severe restrictions on the design of the program.

**Mr. Breagh:** Did your ministry take any initiative in instigating the program?

**Mr. Close:** Oh yes, in terms of implementation—

**Mr. Breagh:** Excuse me, not in terms of implementing somebody else's program but in initiating the idea to do a COED program?

**Mr. Close:** No. As I said, the program came to us fairly completely designed and because of the federal legislation, it was sort of a take it or leave it situation.

**Mr. Breagh:** Are there any of these other programs that you could reasonably say were instigated by your ministry or in which you were there initially when the program was thought up?

**Mr. Close:** Certainly the Ontario employment incentive program was designed completely by us, once the Ministry of Treasury and Economics had given us a figure to work with—the \$35 million initially. With the other two programs, we certainly participated in the design with various other ministries—the youth secretariat, the Ministry of Labour and so on.

**Mr. Breagh:** So you are kind of one for three on that. One was your idea and the other two were someone else's idea—

**Mr. Close:** I think the other two were sort of 50:50.

**Mr. Breagh:** In another committee we went through some experiences where federal programs had difficulty succeeding. For example, last summer in a couple of the skills training programs, Ontario had to give back \$27 million it had already received, because it was unable to participate in the implementation of the program. I am trying to explore who starts these programs, who sets the paperwork flowing, who makes the regulations. What I am really trying to track down is how a good idea of, say, trying to provide skills training or training for young people or whatever, often gets all screwed up somewhere in the process.

**Mr. Close:** When it involves the federal government, the amount of involvement by the province is, I would say, extremely limited in terms of the design of the program. As I said, they generally come forward with some very severe restrictions on a program accompanied with rather voluminous amounts of paperwork. This quite often scares off potential employers or participants.

As I said, and it happened particularly with their Financial Administration Act, they come forward and say: "We can talk about this or that, but everything else is determined by our act, and that is that." We quite often have little in the way of persuasive powers to get them to change their minds.

**Mr. Breagh:** When you finish up a program such as any of these, do you sit down and do an assessment of the strengths when the program worked well and of the weaknesses when it did not?

What I am particularly interested in is the little flies in the ointment, so to speak, things which if someone had only thought of them earlier—for example, in that skills training program, if someone had thought the first order of business was to try to find people in the private sector who would be willing to participate in the program—they would have worked extremely well.

The problem was they could not find them. They had the cash in hand, they had the program in operation and they had identified young people who wanted those skills. The only thing missing was the thing that probably should have been thought of first, namely, where do we put these people to work? Do you do an analysis of those things?

**Mr. Close:** Yes. With the exception of the young Ontario career program which was just initiated, all the programs have had critical evaluations. The COED program evaluation is just now getting under way. It does not finish until June 1984, but there will be a joint federal-provincial evaluation of that program.

**Mr. Breagh:** What happens to these evaluations of programs of that nature? Obviously, we should be learning lessons. Just to backtrack a little, I guess there are always going to be some things, particularly if they are initiated at that one level of government, that will not fit into the other level's bureaucracy. I do not suppose there is any way to weed that out.

For example, with the COED program, at a time right now when we are particularly in need of generating jobs, many of those jobs are coming off stream. They are finished, so a timing problem is apparent. How does this evaluation get fed back into the system so we do not repeat the same errors?

**Mr. Close:** I think it will have an impact on proposals made by the province. All the ministries involved in COED gained a considerable amount of experience as to what to avoid the

next time around. I do not know what the process is federally, but the provincial ministries know pretty well where they will want to start negotiations the next time around.

**Mr. Breagh:** Right now would be an excellent time to be talking to municipalities about designing programs similar to COED or something like that for the next budgetary process. Every municipality in Ontario is going through the first or second run at a budget. They are beginning to generate the types of pieces of information that would tell one that, if cash were available, these things are done in the planning stages and these are the kinds of jobs that would be generated. The missing element, of course, is the cash.

**Mr. Close:** Right.

**Mr. Breagh:** If you wanted to do a youth employment program or a retraining program or whatever in June, the base information is being formulated out there now. Are you reasonably sensitive to that kind of information?

**Mr. Close:** Yes. We talk to municipalities and determine what their financial capacity may be. If we are called upon as a ministry by the Ministry of Treasury and Economics to put something together, we are reasonably confident we could respond in a hurry, but it is the Treasurer's initiative. Certainly, we have a fair amount of information together through discussions of approximately where the municipalities stand.

**Mr. Breagh:** So part of your job—for example, at this time of year—is to gather up some options as to things which might be done. Should the Treasurer decide in his budget that he wants to do them, you then have at least that amount of the planning process done.

**Mr. Close:** We generally get a feel for what may be on the back burner at the municipal level in order to get a reading of how much they will be able to afford should the Treasurer decide to create some jobs.

8:30 p.m.

**Mr. Chairman:** Gentlemen, we are ready to swing into some other municipal affairs items.

**Mr. Epp:** Mr. Chairman, I have—

**Mr. Breagh:** Before you start, I think we have to get out of here by 10:15.

**Mr. Epp:** I do not think we know that, do we?

**Mr. Breagh:** I think you have had most of the time so far.

**Mr. Epp:** It might work out that way.

**Mr. Breagh:** I have had 15 minutes.

**Mr. Epp:** Between you and Mr. McClellan, you have had a certain amount of time. I think you have had more than we have. It may work out to be split. I will not take any more than three quarters of an hour. Do we have to get out of here at 10:15?

**Mr. Chairman:** There is a vote at 10:15, yes.

**Mr. Epp:** I have some questions for the minister. The first one is in regard to the provincial-municipal consultative process. The Association of Municipalities of Ontario has adopted a particular statement and I would like to get your reaction to it. They are looking for some leading principles they hope you will endorse. I will read part of it and maybe get your reaction to it.

It says: "The association supports that the leading principle towards the institution of a continuing intergovernmental mechanism be the acceptance of the Ministry of Municipal Affairs and Housing as the access point for liaison with the government of Ontario and, as such, it will act as the leading intermediary in facilitating the exchange of provincial association policy and dialogue.

"The association supports, as a complementary initiative, acceptance of the provincial-municipal affairs secretariat of the ministry as the principal administrative mechanism for the provincial association intergovernmental program."

They feel this is the best way of providing ongoing dialogue with the government of Ontario, which is very important to them. I was wondering how you react to those two principles they adopted and whether you accept them as they define them.

**Hon. Mr. Bennett:** Mr. Epp, I think they adopted them because of some preliminary discussions between their executive and our ministry at the time of the forming of the Ministry of Municipal Affairs and Housing, which brought the words "municipal affairs" back into a very visible position in the government of Ontario. That was much to their satisfaction because, under Intergovernmental Affairs, they really did not believe they had anybody, at least in a very visible way, representing their cause or their concerns or their problems.

**Mr. Epp:** There were advantages, but I accept that, yes.

**Hon. Mr. Bennett:** I do not know what the advantages were.

**Mr. Epp:** One advantage was they had direct access to the Treasury.

**Hon. Mr. Bennett:** No, you must have missed the point, Mr. Epp. I said when it was Intergovernmental Affairs. Do not forget it went through a transitional period. It went from Treasury to Intergovernmental Affairs to Municipal Affairs and Housing. I do not deny that when they were with Treasury, they beefed and complained because they were then gobbled up by a giant organization that made them insignificant.

When it went to Intergovernmental Affairs, they felt they had lost everything, that they became invisible. Even though the government seemed to be representing their cause, they had nothing that appeared, let us say, on a signboard to represent their position.

When we were going through this process of bringing in the Ministry of Municipal Affairs and Housing, we had some very long, and I think very productive, discussions with the people at AMO, Mac Dunbar and all his associates, including the elected people who were on the executive at the time. We felt one of the best ways to represent the cause of municipalities was to have us, that is, the Ministry of Municipal Affairs and Housing, as the focal point for all their discussions relating to any division or ministry of the province.

If they were dealing with the Ministry of Transportation and Communications, for example, we should at least be in on the preliminaries so that we had some knowledge and could handle their case or position, or support it or, indeed, there have been times when I have not been supportive of their position because it was not the government policy or position we had to be in.

We had those discussions, and I think, generally speaking, it was pretty well an accepted fact that the best way to serve the cause of municipalities was to focus everything on municipal affairs. We would be their pivotal point or their centre of communications. If they wanted to meet with Jimmy Snow, it certainly did not prohibit them from going to Jimmy Snow, but to work through us was, I thought, very important.

I interrupt myself at this point, if I can, because that young charming redhead who just came in is my wife.

**Mr. Breaugh:** Our condolences to the poor woman.

**Hon. Mr. Bennett:** That's not fair. Deborah, we are delighted you are here tonight to watch this great process of democracy being enacted.

But let me tell you, sweetheart, before we go any further, that we won Stormont, Dundas and Glengarry by a rather substantial margin. Mr. Epp wanted to hear me repeat that again tonight. We just like to think we have been successful in eastern Ontario. My wife and I come from that great part of the province. Indeed, she comes from Perth, from up in the Lanark area.

**Mr. Epp:** We are glad to have you here, and if you want to take the seat for Ottawa South, we would much rather have you than Claude any day.

**Hon. Mr. Bennett:** I tell you she would do much better. She is much better looking and much more intelligent. The degree of intelligence there now certainly surpasses anything the opposition could put up anyway.

**Mr. Epp:** The first part of that statement is very objective, I am sure.

**Mr. Chairman:** Welcome to our committee, Deborah.

**Hon. Mr. Bennett:** As I was saying, we have had our discussions with the Association of Municipalities of Ontario and I think there has been a generally pretty strong position that the ministry has been and should be the focal point.

In the latter part, Mr. Dewar and his people have worked very closely with AMO in co-ordinating the various things that have to be done, whether it happens to be meetings with myself or meetings with other ministries, or organizing the quarterly meetings we had with the Ministry of Municipal Affairs, where we get Jimmy Snow or Bette Stephenson or some of the other ministers who have a very direct input to AMO to be present and to try to respond to some of the concerns or problems not only of those members of the executive but also of the various municipalities.

**Mr. Epp:** The suggestion has come up from time to time about having AMO appear before the general government committee or some other committee, on an annual basis, in order to discuss problems with municipalities. Has that been an initiative that AMO has taken recently?

Secondly, would you agree with having them come, maybe to have them here for a few hours before committee to voice their particular concerns and so forth.

**Hon. Mr. Bennett:** Let me put it this way. That kind of decision is entirely AMO's and should not be influenced by myself, as the minister reporting for it.

**Mr. Epp:** If they put forth a formal request, then you would not oppose that.

**Hon. Mr. Bennett:** Why should I? They are an independent organization. They are independent of us.

**Mr. Epp:** It would be something that would be built into the estimates or built into a particular committee.

**Hon. Mr. Bennett:** No, I don't think it could be built into the estimates. But I suppose some committee of government—and I don't know whether a committee of the Legislature can decide it wants to have AMO come forward—can always request its presence before the committee, as it would in the case of the Canadian Manufacturers' Association or any of the others. They are independent organizations. They do not survive by our government's contribution or the people of Ontario's contribution, other than as municipal taxpayers.

AMO has the opportunity at least once a year to come before members of the cabinet—the Premier along with several of my colleagues in cabinet—to present a brief in relation to various subjects it believes are of prime importance to be resolved on behalf of its associate members.

**Mr. Epp:** So does the chamber of commerce.

**Hon. Mr. Bennett:** Certainly.

**Mr. Epp:** You would not suggest, would you, that you put AMO on the same footing as the Canadian Manufacturers' Association or the chamber of commerce. I would think they are certainly not a separate creation; they are a creation of the province of Ontario. They are not mentioned in the Canadian constitution, but they are a creation of the province—all 800 and some odd ones.

**Hon. Mr. Bennett:** You are referring to their members?

**Mr. Epp:** Yes.

**Hon. Mr. Bennett:** Their members are creations of the Legislature of the province of Ontario; that is correct. The association itself is not. The association is one of their own choice. Municipalities have the right either to be a member or opt out.

8:40 p.m.

As you know, with the Federation of Canadian Municipalities, there are very few municipalities in Ontario that belong to the Federation of Canadian Municipalities. Most of them belong to AMO, which is great. I am not so sure I can always say there is a direct relationship between the way a municipality is operated in Ontario as

versus Quebec or BC or Manitoba or any other province. Sometimes when I am listening to the Canadian federation, they like to think they should be a prominent voice in the affairs of the federal government. I am not so sure they have a common denominator in the presentation of their briefs as in Ontario. In this province I encourage municipalities to belong to the Association of Municipalities of Ontario. I think there is a lot of value in it.

**Mr. Epp:** That raises another point. The other day on the radio I heard the Federation of Canadian Municipalities was seeking some kind of voice or consultative process to be mentioned in the Canadian Constitution. I think it was Joe Côté who asked whether there might not be opposition by the provinces to that. How do you feel about that?

**Hon. Mr. Bennett:** I am sure that is a government position that has been enunciated on more than one occasion.

**Mr. Epp:** I am sure it has.

**Hon. Mr. Bennett:** Municipalities and their existence, as you have already acknowledged, come as a result of the Legislature of this province, as they do in every other province in Canada. We can get into a long, drawn-out debate on the subject. Let me suggest one of the provinces that will become most vocal in a negative sense would be Quebec. Quebec has made it abundantly clear to its municipalities it is not going to extend that kind of right to them because it believes that starts to destroy what has been the Canadian system.

My mayor, who speaks on behalf of the Canadian Federation of Mayors and Municipalities, has come along with some rather interesting ideas, interesting from their point of view, not from mine, inasmuch as they would like to see metropolitan or regional areas turned into provinces.

I suggest strongly, Mr. Epp, that you and I as Ontario taxpayers and members of this Legislature, along with Mr. Breugh and his people, can take a fair amount of credit for keeping our municipalities in a pretty stable and financially sound position in this province, as a result of the contributions and the generosity of the taxpayers in a general sense in Ontario.

If each municipality had to survive on its own, with nobody trying to give some equal disbursement of funding, I tell you there would be a lot of municipalities that would be against the wall tomorrow. I do not believe you can allow the bigger municipalities to start drawing away

from the system, trying to say, "We will do it alone." All of a sudden, the smaller municipalities are then put in a vulnerable position.

**Mr. Epp:** It is the same thing as the postal service.

**Hon. Mr. Bennett:** I would tell you the postal service should be put on a provincial basis and eventually turned back to the private sector.

Interjections.

**Hon. Mr. Bennett:** I thought that would get your attention.

**Mr. Epp:** You cannot, all of a sudden, permit the private carriers to take just the big cities and forget about the small municipalities.

**Hon. Mr. Bennett:** That is like Hydro, Bell Canada, gas service, cable television; it is the same thing.

**Mr. Epp:** It balances out between the lucrative area and the not so lucrative areas.

**Hon. Mr. Bennett:** If one only had the big areas, that is where the tremendous consumption of power is. If Hydro did not have to serve any of the rural areas, I am sure the overall Hydro cost would be somewhat different.

**Mr. Epp:** It might even be higher.

**Hon. Mr. Bennett:** No, only when a Liberal government thought it was in charge.

**Mr. Epp:** I will ignore that.

**Mr. Chairman:** You are not going to respond to him.

**Mr. Epp:** I want to touch on a subject I am sure is dear to your heart. Since you have been so busy looking at the results from Stormont, Dundas and Glengarry, you have not had a chance to participate in the interesting debate on Barrie-Dundas—I mean Barrie-Vespra.

**Hon. Mr. Bennett:** That is a Freudian slip.

**Mr. Epp:** Right.

**Hon. Mr. Bennett:** You were hoping Dundas was in Barrie.

**Mr. Epp:** I want to talk to you about the rape by the provincial government of Vespra, of this land that has been taken by Barrie or is proposed to be taken by Barrie in Bill 142.

**Hon. Mr. Bennett:** What did you call it?

**Mr. Epp:** You heard what I said.

**Hon. Mr. Bennett:** No, I did not hear it.

**Mr. Chairman:** Is that the word Mr. Breaugh used in the House today?

**Mr. Breaugh:** I do not use such words.

**Mr. Chairman:** He said it was a Liberal word as a matter of fact.

**Mr. Epp:** I understand it was used on the front page of the Barrie Examiner, but that is another story. The point I want to make is that Vespra has been raped of 4,580 acres of land, if that bill is adopted as it now stands. There are a number of points I would like to raise with you. I know you have been busy and have not had a chance to respond in the House.

**Hon. Mr. Bennett:** I have not heard your question.

**Mr. Epp:** I am getting to that.

**Hon. Mr. Bennett:** No, I meant in the House.

**Mr. Epp:** One is the fact that the bill is supposed to be effective on January 1, 1984. The roads, the fire service, the police service and the assessment are supposed to take effect on that date. I am told that could be changed. Of course, we have been after the parliamentary assistant to suggest at least July 1 and, I hope, January 1, 1985, if this is to become a reality.

I and my colleagues—and I know the third party also—oppose that bill because we do not find a necessity for it. Be that as it may, we hope you will consider at least a later date if it is going to be implemented, maybe six months or, I hope, a year down the road to give everybody a chance to assess his position and to have it implemented in a more moderate form and at a more moderate rate rather than in a speedy form.

There is also the fact that the Municipal Boundary Negotiations Act was not applied in this case. We passed that bill in 1981. It could easily have been applied.

The other thing is the fact that the Ontario Municipal Board, which as you know was found by the Divisional Court to be biased in favour of Barrie, now will be in the final position of establishing the assets and liabilities if an agreement is not reached by the members of the committee that is supposed to be established according to the bill. I find that somewhat difficult to accept since the Divisional Court unanimously found the OMB to be biased.

There is another point I want to raise. I do not want to get into the whole debate, because I want to raise some other things here. The reeve of Vespra township is supposed to be a member of Barrie council ex-officio, which means he probably can vote because ex-officio members can vote sometimes. It does not say whether he can vote or not vote, but he is an ex-officio

member. In my opinion he would probably have a conflict of interest if he were to vote.

Maybe you can tell us what ex-officio really means, because I know in some constitutions people can be ex-officio and vote, and in others they are ex-officio and do not vote. Nothing was said in the bill as to whether he can or cannot vote. I find it difficult to accept that he would be able to vote and help determine it, with Barrie; that would put him in a very difficult position. I am sure he has not asked for this position, being an honourable person. He would have to help determine, with Barrie, the amount of compensation Vespra should receive.

The other point is that the maximum land you want to give to Barrie from Vespra is 4,580 acres, when the last request Barrie put out for acreage was 320 acres, after Barrie has received 8,000 to 10,000 acres from Innisfil.

The other question, which the Minister of Agriculture and Food (Mr. Timbrell) probably would be more apt to respond to, has to do with the preservation of agricultural land. You would not be putting all this land into Barrie if you thought it was going to agriculture for the next 50 years. You must have plans, expectations, proposals or projections that it is going to be urbanized into industrial, commercial and residential land in the next 20 or 30 years.

The other thing the bill does not address is legal compensation for both Vespra and Barrie for what they have encountered in the past eight to 10 years. As you know, when the Divisional Court suggested the OMB had been biased, I raised this point as to the legal cost with the Attorney General (Mr. McMurtry), who is responsible to the OMB, and he really did not respond to it. He said he would look at it and so forth. It was an innocuous answer. Nothing really came of it and he has not gotten back to me on it.

8:50 p.m.

**Hon. Mr. Bennett:** Who is that?

**Mr. Epp:** The Attorney General, with respect to the legal compensation for Vespra and Barrie.

The other thing is that I really do not see the urgency of, or the need for, the annexation. There does not seem to be any good reason given for the annexation and particularly for its size.

**Hon. Mr. Bennett:** Do you mean that seriously?

**Mr. Epp:** Certainly. You have not stated definitively why you want to annex that particular section, but maybe you can respond to some of those things.

**Hon. Mr. Bennett:** Yes, I will respond, Mr. Chairman, very positively.

Let us go back and just to do a little historical analysis of the situation. This whole argument about annexation in the Barrie-Innisfil-Vespra area started more than 10 years ago. Certain people dug in their heels and said: "We could not care less whether it is right or wrong, sensible or otherwise. We are not going to agree."

**Mr. Epp:** Which is fair ball.

**Hon. Mr. Bennett:** That's fine, as long as you come some day to be logical. I analysed the situation very clearly. For a long time this thing has dragged through one court, one Ontario Municipal Board hearing, another OMB hearing, another court. We have had planners, lawyers, consultants. We have had people from the OMB. We have had people from the Ministry of Municipal Affairs and Housing. I hate to think how much money has been spent out of the general taxpayers' pocket, whether it be municipal or provincial, in getting to exactly a zero position.

Some people took the attitude, "Come hell or high water, we are going to fight it to the last day." Indeed, I said to Vespra the other day something about the cost, which has not been our money. I do not argue that with them; I realize this money has been legally approved by Vespra council. But at the same time I have to suggest that you and I as Ontario taxpayers, on behalf of 8.5 million people, have been spending a great deal of money at the Ontario Municipal Board in the preparation of cases, background material and so on. It just goes on and on and on.

**Mr. Epp:** That is why the Municipal Boundaries Negotiations Act—

**Hon. Mr. Bennett:** Just a moment. We are not dealing under the boundaries act, because this started long—

**Mr. Epp:** I recognize that, but you still did not proceed under it now when you could have.

**Hon. Mr. Bennett:** Just a moment. That is like the farmer who has ploughed the field in preparation for seeding the crops and somebody says: "I don't think the furrow is quite straight enough. Let's plough it again." That is exactly what we are into, because we have been through this thing for 10 years. There is not a scrap of information, to the best of my knowledge, that has not been dug up and presented in a public forum, whether it be at the OMB, in a court case or wherever else it happens to have been discussed.

Let us look at where we are. We are now coming down to the final hour under the new Planning Act. That is one of the criteria we happen to be confronted with at the moment. The new Planning Act says that if these things are not settled by February 1, 1984, it is all for naught; we wipe the slate clean and start over if we have not got it resolved. That is even part of the problem I have with it under the Municipal Boundary Negotiations Act.

You mentioned whether we should go back to the OMB. I can agree to an OMB hearing. Let me not try to prejudge anybody's position, but as a minister I also have a certain responsibility on behalf of a lot of people to try to use a little bit of grey matter along with some very talented employees in the ministry.

If we agreed to an OMB hearing, at the end of this week when the House adjourns—it potentially has the opportunity to adjourn at the end of this week—if one of the participants in the OMB hearing decides next week he is not going to participate, it virtually falls by the wayside because then we are in a stalemate. All you have to do is play for time until February 1 and nothing happens; the whole thing is for naught.

If I were of a mind to wait, or if I went the OMB way and the OMB came down with a decision—take any avenue you want: boundary negotiations, OMB, court case; I do not care which one—I suggest to you that in the final hour of decision, whether it be one day, one week, one month, one year or 10 years from now, then whoever happens to be Minister of Municipal Affairs and Housing of the day would not be in any different position from the one I am in tonight—not one bit different.

When I present that argument to some of my municipal friends, I get no argument. They know very well that they will do everything to forestall any decision being arrived at in that boundary dispute. Time is the only thing they are playing on.

Very honestly, if I am here a month or 10 months from now, I guarantee that I will be presenting some form of legislation to resolve a boundary dispute that has existed for 10 or 12 years in that community and has cost literally millions of dollars. Nobody but lawyers have profited from it.

**Mr. Epp:** I accept the fact that they have not been successful in bringing about negotiation at this point, but one of the things you have to keep in mind is that Vespra township loses 90 per cent of its commercial assessment and 50 per cent of its regular assessment, which makes it virtually

impotent as far as municipalities are concerned. You are taking most of the assessment away from Vespra.

Vespra was the municipality that went to the Premier (Mr. Davis) a few years ago and asked for some meetings. They met with the city of Barrie, and it was Barrie that thwarted the progress of those meetings. What you are doing is punishing Vespra for its co-operation. Barrie came around and asked for double the amount of land they had asked for earlier. They were the ones who were not co-operating.

You are rewarding Barrie for asking for twice as much land. You are giving them much more than they asked for before the Ontario Municipal Board. They settled for 320 acres. You are prepared to give them up to 4,580 acres, and you are punishing Vespra for its co-operation. That is not logical.

**Hon. Mr. Bennett:** I am neither penalizing nor profiting one or the other.

**Mr. Epp:** I knew you would say that.

**Hon. Mr. Bennett:** Herb, you've been in municipal politics for a long period of time, and you know I have been on both sides of annexation. It is an interesting thing when I go down to a meeting and the mayor or the reeve tells me that I have no appreciation. As the minister appointed for municipal affairs, I think I have a great deal of appreciation and understanding of what it is to a municipality.

On the other hand, I also have the responsibility of being in charge of this ministry. The fact is that the planning of this province's land use does fall within the ministry I report for. Whether you like it or not is of little consequence to the success of this province.

I suggest to you that I have taken the very positive position, as the minister, saying: "Here is the boundary, whether Vespra or Barrie or anybody else likes it or not. That is where the boundary line is going to be." I think I have taken a reasonable approach to the subject.

I know one thing: the boundaries are going to change. That has been clearly enunciated in every hearing that has been held. The OMB decision has been overturned in a court of law for procedural reasons, but in every case they have clearly and distinctly enunciated that the boundaries of Barrie should be expanded to include the commercial district, which should rightly be in the major growth area of that community. Go back and read the records. I did not arrive at that conclusion, but that has

certainly been the conclusion of those two hearings.

I admit they were overturned for procedural reasons. What did I do? We decided we would have a boundary line drawn in the bill, but we said very clearly and distinctly—Mr. Breaugh mentioned it today—that the boundary line was not drawn in a heavy black, red or blue line.

**Interjection.**

**Hon. Mr. Bennett:** Take whatever colour you want. If you think blue is great—it is in Stormont-Dundas-Glengarry tonight, I am sure; why not use it tonight in this case?

**Mr. Sweeney:** Not yet.

**Hon. Mr. Bennett:** John, you are a living optimist. I can see that. Thank you for joining us.

I suggest to you, Mr. Epp, that we drew that line and we left it so that it can be adjusted. We left it there so that when the group meets in January to discuss it after second reading in the House, the boundary line can be brought back down to a fewer number of acres going into Barrie than it currently is.

I did not want to draw the line, because I thought there was an opportunity for some reasonable discussion. If you look at what has been proposed to Barrie in the way of annexation over the past 10 years, there are several plans—at least three or four—and each one has been different.

**9 p.m.**

On one occasion, Vespra was prepared to give up the lands to the west of its community. Little Lake is already part of the conservation area under the authority for Barrie; so we included it in this plan. That was to preserve it in perpetuity. Just because we include all that acreage within that boundary does not mean to say it is going to turn from farm land, or whatever its current use is, into industrial commercial development, because the zoning bylaws and so on will still apply to those lands that came into the city of Barrie. I want to make it clear that the boundary was flexible; that is the way I thought it should be.

Let me touch on the date, because I think it is most important. I heard Mr. Breaugh today, and your former leader, Mr. Nixon, came to me about it this afternoon just before the Lieutenant Governor's reception and asked me if January 1 was carved in stone in this bill. I said, "No, it is not." It is one of the things that I hope the committee will look at and offer some advice on to the minister and the ministry as to

what date we should be looking at as a more practical one for the implementation of whatever boundary changes take place in the Barrie-Vespra dispute.

**Mr. Epp:** Can I get back to the date while you are talking about that? Why do you not say categorically, since you are the minister—the parliamentary assistant says he cannot say it, because he is not the minister and he always has to consult with you—that you will not accept a date earlier than July 1 at worst, or maybe January 1, 1985?

**Hon. Mr. Bennett:** I will not pick January 1, 1985. I will make that very clear to you right now.

**Mr. Epp:** Why do you not tell us you will at least go up to—

**Hon. Mr. Bennett:** You want the committee to have some opportunity for discussion, is that right? Or do you want me just to dictate what the committee is going to do?

**Mr. Epp:** I want you to put a lot of fears to rest. You have been fairly definite about a number of things. Why can you not be definite on at least July 1? You were definite about January 1, 1984. Why can you not extend that?

**Hon. Mr. Bennett:** I do not deny that I said January 1, 1984. I certainly got a hell of a lot of attention in a hurry.

**Mr. Epp:** Of course you did.

**Hon. Mr. Bennett:** It did not drag on. We have been going through this thing for ages.

**Mr. Epp:** If you did that for attention, I suggest—

**Hon. Mr. Bennett:** I would say I am an optimist. I love being an optimist. I was an optimist on Stormont, Dundas and Glengarry tonight and I have certainly proved to be right.

**Mr. Epp:** You were an optimist when Joe Clark ran in 1980 and you were wrong.

**Hon. Mr. Bennett:** No, I did not say I was an optimist. I was a realist for a while—for nine months.

**Mr. Breaugh:** Then what were you?

**Hon. Mr. Bennett:** Expecting.

**Mr. Epp:** That's a lot of pregnancy, anyway.

**Hon. Mr. Bennett:** No, it's just a pause to refresh. We'll be back.

**Interjection:** For another nine months.

**Hon. Mr. Bennett:** That's okay. At least it gives people the time to rejuvenate.

Vespra was invited to negotiate its position on

three different occasions in the past three years, and it refused. Vespra walked away; the Vespra person did not want to get involved in any of it.

**Mr. Breagh:** Somebody is playing background music now. That's getting really cheap.

**Hon. Mr. Bennett:** I am glad it is not something I could think of that might be appropriate.

**Mr. Epp:** Hail to the chief.

**Hon. Mr. Bennett:** Noble Villeneuve.

Interjections.

**Hon. Mr. Bennett:** It is about the only thing that is in key.

As far as I am concerned, the date is flexible. I had said to your former leader, and I say to Mr. Breagh tonight, that I have not locked in January 1, 1984. It was an objective date; certainly it was. I make no apologies to you for that.

The fact is that in the bill that will go out, I thought the committee wanted to have some degree of flexibility in being able to discuss something that is worthy of discussion rather than being told: "This is what is going to happen. You are going to spend two days, three days, two weeks or whatever period of time in just going through a raft of things."

I am not about to lock myself in on July 1 or January 1 other than to say that I hope the committee will come back, with the advice of Vespra, Barrie and others, with a realistic proposal—

Interruption.

**Hon. Mr. Bennett:** Gee, I didn't know we had been here that long.

**Mr. Breagh:** I heard the other night that at the "last supper" they had a choir of 300. This is a very paltry beginning we have got here.

**Hon. Mr. Bennett:** Of course, that group has a great deal to celebrate with tonight's victory, you see.

**Mr. Breagh:** Oh, we are back to that.

**Interjection:** They are celebrating early.

**Hon. Mr. Bennett:** I don't know what else I can suggest to you.

Interjection.

**Hon. Mr. Bennett:** Mr. Epp, you said something about the loss of assessment and so on. It is my understanding it would result in the loss of some 40 per cent of the total township assessment; \$3,862,950 of a total assessment of \$9,834,299. This breaks down as follows: \$826,130 in residential; \$2,092,350 in commercial, indus-

trial and real property; \$944,470 in business assessment. That is what they lose.

**Mr. Epp:** I said it was 90 per cent commercial and about 50 per cent of the total. It represents about 50 per cent of the total.

**Hon. Mr. Bennett:** No, it is 40 per cent.

**Mr. Epp:** I understand.

**Hon. Mr. Bennett:** I suggested very clearly in my statement in the Legislature that we will be making, along with Barrie, some compensation to the community of Vespra. It has been told that time and again, but I cannot give a figure until I know what the boundary line is going to be. Obviously, I cannot start to try to project something when I do not know whether it is really going to be in or out of the proposed new boundaries for Vespra and Barrie.

I have to suggest that the date is certainly open for the committee's recommendation. The boundary line is flexible for you to recommend back to the minister or to incorporate into the bill as you see it being reasonable, whether it stays at the pipeline or whether it adjusts to some other boundary.

I must say one thing about the pipeline. I have never walked the land but I am told one of the reasons some people came to the decision of the pipeline was because it is the high point of the watershed. In other words, if you look at that drawing and go to the pipeline, on the two sides of the boundary the water will flow in different directions. Vespra will have a different watershed from that of Barrie.

I am guided by their opinions. I do not know what more I can say to you. We believe that in the long term, this problem has to be resolved. One of the things that has happened in that community is that the applications for building permits came to a freeze. They came to a standstill. Nobody is going to develop because of this dispute and certain developers such as Cadillac Fairview, which is one of potential developers just said, "No."

**Mr. Epp:** Okay, I accept that, except you also have to accept the fact that Vespra was ready to let them expand but it was the objection of Barrie that prevented them from going on. Again, the one which has been thwarting progress, as far as negotiations are concerned, in fact looks like the winner.

**Hon. Mr. Bennett:** You say winner.

**Mr. Epp:** If there are winners and losers and so forth Barrie is the one that wanted the annexation and it is the one that is going to get it.

**Hon. Mr. Bennett:** I suppose as taxpayers in Ontario we are winners if we can continue to have the economic development of that community, whether commercial or industrial. The fact remains that we had accepted Barrie would be the growth area. I do not agree with shopping centres being built on the perimeter of urban communities. The fact remains the urban community is subsidizing them.

My community is a fine example of people who went and built on the absolute border of the municipality of Ottawa. This is going back 15 or 20 years. There was no degree of residential population in the townships; there was only one place it was coming from.

The municipality of the city of Ottawa, for example, paid the policing, the road construction and everything else to allow people to get from their community to that shopping centre, which in that sense was being heavily subsidized by the urban taxpayers. This deprived the municipality of any kind of financial reward. It was really providing all the infrastructure and at the same time losing some of the traffic from its downtown community.

Mr. Epp, you know what we ran into in Chatham. You know what we ran into in many other communities across this province about 10, 12 or 15 years ago when we had a whole raft of them. Mr. McKeough made his position very clear in 1972 or 1973 when he said that this was not a planning position Ontario wanted to find itself in.

9:10 p.m.

**Mr. Epp:** I have some other points I want to get into. The first of these is conflict of interest.

You will recall the recent episode in North York in which a senior official was fired because he was felt to have a conflict of interest. The present Municipal Conflict of Interest Act pertains to elected officials but does not pertain to appointed officials. There was that planner who was involved. There were other officials involved who have been found to potentially have a conflict of interest.

Are you looking at the possibility, or having some of your officials investigate the possibility, of expanding the conflict of interest legislation as it pertains to municipalities, to extend it to appointed as well as elected officials?

**Hon. Mr. Bennett:** I have asked the people to look at it, to see what complications we might get into.

**Mr. Epp:** To see what complications?

**Hon. Mr. Bennett:** To see what complications might be caused by it.

**Mr. Epp:** In the hope of bringing some legislation in?

**Hon. Mr. Bennett:** No, I did not say that. I was being very cautious.

**Mr. Epp:** That is what I thought.

**Hon. Mr. Bennett:** I am not going to tell you that we will bring in legislation unless I am convinced that we should. I said to you that I had my people looking at it, not only from the straight municipal point of view, but from other contractual relationships with municipalities and so on, as to what difficulties we might encounter if we try to legislate.

You must remember that even under the conditions which prevailed in North York, for example, when everybody came storming down to the minister and said, "Let us have a royal commission," the fact is that the municipality has the right to go to a county court judge and to have a commission, an investigation.

It does not necessitate my action at all. It is completely within the jurisdiction, the rights of a municipality and its council to do it. It does not need me. The act fully provides for it.

**Mr. Epp:** You would have advised North York to do that?

**Hon. Mr. Bennett:** I did. I did not say North York, but there were one or two people who came to me, you will recall, at the time. They wrote to me, and we very clearly indicated to them that it was entirely a municipal responsibility if the council wished to go and seek out the county court.

**Mr. Epp:** I do not know of any municipality that has followed that route. There may be some, and perhaps Eric or the deputy minister has some examples. Why do not more municipalities follow that route, rather than come to you to launch an investigation? What are the advantages and disadvantages?

**Hon. Mr. Bennett:** You have been around the world of politics as long as I have been, or at least close to it.

**Mr. Epp:** I am not as old as you.

**Hon. Mr. Bennett:** It is just the hair that gives you away. Is that it?

**Mr. Epp:** Probably.

**Hon. Mr. Bennett:** The fact is that if you can get the minister to do it, then the council does not have to take that responsibility. Anything good or bad arising from it is from the minister.

**Mr. Epp:** Could I just interrupt?

**Hon. Mr. Bennett:** You asked one other question, and the answer to that is yes. Mr. Fleming was saying that the city of Toronto, you will recall—if somebody does not stop that—

**Mr. Chairman:** The last time we had entertainment in here, there was a certain member for Cochrane North (Mr. Piché) who had a group of mayors in there singing away. This is a little different.

**Hon. Mr. Bennett:** The fact remains that the city of Toronto—and we got into the matter of the bachelorettes and the plumbing and all this stuff about two or three years ago—went to the county court by council's action and had an investigation.

**Mr. Epp:** Is it because of finances? When they come to you, it is often a resolution of council that asks you to do it, too. It is not individuals.

**Hon. Mr. Bennett:** Eric is saying that it is quite often a petition of ratepayers. I do not think it is financial, is it, Eric?

**Mr. Fleming:** The finances of an inquiry launched by the minister and an inquiry launched by the municipality are the same. It is ultimately paid by the municipality.

It is true that when the minister determines there ought to be an inquiry, the bills are initially paid by the province and recovered, whereas when the municipality does it, counsel is paid directly.

There were two cases. One involved the city of Toronto and the plumbing business. I think the city of Mississauga decided to launch its own inquiry a few years back and it never reached a conclusion. It was adjourned after three or four meetings and nothing ever happened with it.

**Mr. Epp:** Do you mean they had an inquiry by a county court judge, and three or four sessions, and then there was no conclusion to it?

**Mr. Fleming:** Then it was adjourned, and I do not recall a conclusion to that one.

**Mr. Epp:** Can they do that? Once they started, would they not have to conclude it? Can they just call it off, all of a sudden? What does the act say with respect to that?

**Mr. Fleming:** It simply says that a municipality may appoint a county court judge to conduct an inquiry. It does not say what the judge should or should not do. Presumably, once they appoint the judge to make an inquiry, it is up to the judge to do whatever he feels ought to be done.

Once either the province or the municipality appoints the county court judge, he then becomes the person who controls that inquiry and deter-

mines the depth of inquiry, who is to be heard and so on. There were only two instituted by municipalities, as I recall. There may have been others.

**Mr. Epp:** Where have you permitted inquiries or where have you launched investigations in the last 12 months? In what municipalities?

I think the minister or somebody referred to a few the other day. Do you recall where they are—there were just two or three of them—and what the circumstances were?

**Mr. Fleming:** The last judicial inquiry was in a township just outside Windsor, and that was about five years ago. It was originally called because of a subdivision where the proper bylaws had not been passed to levy taxes on the individual taxpayers.

I do not think the tax situation was ever resolved, but there was found to be a breach of trust on the part of the clerk of the municipality and criminal proceedings were subsequently started against that person. That is the most recent judicial inquiry.

In Georgina—

**Mr. Epp:** Georgina. I remember that one. Everybody remembers that one. That was about five or six years ago.

**Mr. Fleming:** But I think, Mr. Epp, what you are recalling is when a judge declared the election invalid.

**Mr. Epp:** Yes.

**Mr. Fleming:** But around the same time, I think the previous year, there had been a request for a public inquiry in relation to building permits. We did not institute an inquiry at that time; we instituted a provincial-municipal audit under the Ministry of Municipal Affairs and Housing Act. The result of that really was inconclusive except that their bookkeeping and accounting were very sloppy.

We go back to 1973 to the Kingston township inquiry, which was related to a perceived conflict of interest of the then reeve in relation to sewers in the township.

**Mr. Epp:** Can you elaborate on the new election that was called in Grattan?

**Hon. Mr. Bennett:** Can I ask Mr. Williams if he has any recent results from tonight's election?

**Mr. Epp:** Was that on the agenda tonight?

**Hon. Mr. Bennett:** No, but it might as well be.

**Mr. Williams:** It is a matter of privilege, is it not?

**Hon. Mr. Bennett:** Is it privilege? I think it would be well for you to be on the record as to—

**Mr. Williams:** It is a privilege to announce what has been happening.

**Mr. Breagh:** Let us hear it, John.

**Mr. Williams:** It is 10,000 votes.

**Mr. Epp:** Since that is going to be the extent of your contribution to this committee, tell us.

**Mr. Williams:** It is 4,200 votes for—

**Hon. Mr. Bennett:** Oh, no. Be kind.

**Mr. Breagh:** What is the first count?

**Hon. Mr. Bennett:** One hundred polls, 10,000 for the Tories; Liberals, 6,400.

**Mr. Williams:** It is the New Democratic Party vote that we want. I think that was 800 votes, was it not, a little while ago?

**Mr. Epp:** By my rough calculation that is about \$10,000 a vote. You guys are really doing well down there.

**Hon. Mr. Bennett:** All wisely invested on behalf of 8.5 million people for the benefit of great eastern Ontario—

**Mr. Breagh:** That is pretty expensive.

**Hon. Mr. Bennett:** —in preparation for the bicentennial celebrations that will take place in that great part of the province. Remember, we were part of the original establishment of Ontario.

**Mr. Williams:** Mr. Chairman, I just can never remember one of the official parties in this province ever being so devastated as in this particular by-election. I do not want to name the party, but I think by process of elimination—

**Mr. Breagh:** Oh, go ahead. Name names.

**Mr. Williams:** I do not want to be so brutal.

**Hon. Mr. Bennett:** Just tell us which one it is. We are in suspense. Mr. Epp and I want to know.

**Mr. Williams:** Maybe Mike can help us out.

**Mr. Chairman:** Use initials, John.

**Mr. Williams:** Maybe he will be at a loss for words for once in his life.

**Mr. Piché:** Does that mean we are going back to the two-party system in Ontario?

9:20 p.m.

**Mr. Breagh:** Does that mean we ever left it?

**Mr. Epp:** Is that the cocktail party, or which other party?

Meanwhile, back at the ranch.

**Mr. Chairman:** We were talking about the election.

**Hon. Mr. Bennett:** Great night. In the historic values of this province, we lead once again.

**Mr. Epp:** You had better enjoy it.

**Hon. Mr. Bennett:** I always enjoy a victory.

**Mr. Chairman:** The people of Ontario came through once again.

Interjection.

**Hon. Mr. Bennett:** I want to tell you, Mr. Epp, only one thing. The interesting thing about the philosophy and positions of your party and those of the New Democratic Party, when they got to that issue of entrenchment, was that the only party that had a French-Canadian, fully bilingual candidate—who understood both languages with no difficulty whatsoever—was ours. He had a different opinion.

That is the message you might get through to your leader. Will your leader be in the House tomorrow?

**Mr. Epp:** He has been in there much more than yours.

**Hon. Mr. Bennett:** Yes, but on the important days he was missing.

**Mr. Epp:** Saturday and Sunday.

**Hon. Mr. Bennett:** Sunday, in my case, is a very important day.

**Mr. Chairman:** It seems to me that there was a question about another election that Mr. Epp had asked.

**Mr. Epp:** Grattan township.

**Hon. Mr. Bennett:** Let me suggest to you that Grattan township has a five-member council. There is a population of about 1,100 in that community.

I gather that, over the period of time since they have been elected in November last year, there have been some rough edges, to put it mildly. It continued to develop to the point where the three members severed themselves from the rest of the council and said, "We are not sitting."

Two very interesting complications arise from that. First of all, all three members could not resign because if they did there would be nobody to accept their resignations. Council could not sit as a council. Two of them could have resigned, obviously, with the third one staying on. Perhaps he would eventually resign after certain replacements were made. However, that was not their choice.

They were rather conversant with the act, which said that if council attempts to meet but cannot meet for a 60-day period, the minister has the option, the opportunity, or whatever

you wish to call it, of dissolving the council and calling a new general municipal election. I guess the three members were aware of the fact and they felt this was their way of succeeding in changing the formation of council and solving some of the problems they had.

The last council meeting was about October 5. Our people had opportunities to speak with them, but there was no way they could come together and, if they did meet, it would not be an official meeting; it could not be translated as a council meeting.

Anyway, after my ministry people had been down there, we arrived at the position where it was not possible to bring them back. The only option left open to me as the minister was to take the rights of the act, dissolve the council, and call a new general municipal election for February 6, 1984.

In the meantime, John White, the former treasurer of the town of Oakville, has gone down to act as trustee. He will act in that capacity until the new council is sworn in.

It was strictly nothing more and nothing less than a personality conflict.

**Mr. Epp:** I notice that four of the five are running again.

**Hon. Mr. Bennett:** I do not know. I know there is one member who said he was not running. One of the present council members wants to be reeve.

**Mr. Epp:** One of them is not running and I understand that four of them are, for the positions they held before. I presume there were two who went in for reeve.

**Hon. Mr. Bennett:** I think one of them, who was formerly a councillor, is now running for reeve.

**Mr. Epp:** So there are two running for reeve. It is conceivable that three of them could be back.

**Hon. Mr. Bennett:** That is correct.

**Mr. Epp:** What are your options if you get the same kind of situation that has developed there? I am hoping that will not be the case.

**Hon. Mr. Bennett:** You are not alone.

**Mr. Epp:** However, with three of them—I find it difficult to accept how they can be at such loggerheads that they will not meet. Then we have four out of the five running again for office.

I am not suggesting for a moment that you should have legislation to say they should not be permitted to run again. I am not suggesting that

at all. I can appreciate the difficult position you are in. But, conceivably, three of them could be back on council, and you could have a similar situation

**Hon. Mr. Bennett:** But with three of them back on council there would at least be one of them in a different position—

**Mr. Epp:** In a minority situation.

**Hon. Mr. Bennett:** —to that which he previously occupied. As a result, somewhere between the immediate past reeve who is seeking re-election and one of the members of council who is running against him, one of the four previously there will not be back.

It has gone through my mind and I dread the thought of what will happen if we wind up with a council that is basically the same as the one we just got rid of. What is the next step? I suppose it is to hope that, as a result of the new mandate it has received, its members will find a way of working together in trying to resolve some of the differences they have been confronted with prior to this date.

If it means that in three, four or five months' time there is a breakdown on council, I guess we are back to a position where we might even go in and take over the management. I say this without being held to it but there is always a possibility.

**Mr. Epp:** Then you would continue until the next municipal election at the beginning of December 1985.

**Hon. Mr. Bennett:** That is an option left to us, that we can go in and manage the municipality. It would not be the first time we have taken over a municipality, not quite under these circumstances, but that potential is there.

**Mr. Breaugh:** Mr. Chairman, I have a number of things I would like to do but we are running out of time. Let me start with a couple of things I mentioned in the leadoff. I am really getting concerned about the financial situation at the municipal level. After four or five years of restraint programs of different kinds, financial uncertainty and what not, there has been a great deal of paring at the municipal level. It seems we have reached a point where a disturbing trend is beginning to emerge. That is, the municipalities are searching for options they previously would have rejected in terms of cost-cutting measures.

A couple of things have surfaced which would indicate to me that things are really pared to the bone and should not go any further. One is a rather disturbing trend in a number of municipalities to begin a contracting-out process.

Although this has always been with us in municipal politics, it has always had a rather limited focus and has been done essentially in positions where the council was not sure it wanted to continue a particular service or operation over a lengthy period of time. If it thought the services being provided were rather short-term in nature, the council would contract them out.

It is now getting to the point where that is almost becoming the order of the day and there are relatively few municipalities that do not do some contracting out, at least on a partial or part-time basis. Many of the ones I monitor are municipalities that for the last couple of years have been dipping into reserve funds for a variety of reasons but the main goal was to keep the tax line pretty tight.

In his statement this afternoon, about the only thing the Treasurer (Mr. Grossman) said was that municipalities would get five per cent and no more. The details of how they would get five per cent were not really laid out. That is one of my concerns.

**Hon. Mr. Bennett:** May I just correct you? What he did say was that there would be an average of five per cent. You will appreciate that when we gave the percentage increase last year, we talked about 4.8 per cent. Some municipalities went up eight per cent and nine per cent while others went up only one or two per cent.

**Mr. Breaugh:** I accept that.

**Hon. Mr. Bennett:** I do not want to give the idea that everybody is going to get five per cent.

**Mr. Breaugh:** The difficulty is that this paring process can go only so far. The stability of local governments is being threatened to some fairly substantial degree in terms of the services they provide or the mill rates they can hold. I know a number of municipalities are having difficulty. One of the things that really aggravates is that a municipal council can sit and chop up a budget and stay within a guideline it sets and then a couple of other players enter the scene at budget time, after the budget process for the municipality really is at an end, and present a levy which kicks the whole thing out of whack.

9:30 p.m.

So there does appear to be a need to revise the funding formula yet I do not see any real revision at work. It seems the transfer payments are going to stay at about the same level next year as they were this year. I do not see any shift in terms of responsibility.

There are a couple of rescue operations

around social services budgets and things of that nature, but there really is not now, and has not been, much that a municipality could look forward to except more of the same. It concerns me somewhat that it is reaching the level where, for example, we have a spate of legislative proposals on the order paper, some of which we have dealt with and some of which we may not get to, talking about facilitating the removal of liens from properties. A bill has been presented, basically for discussion purposes, on sales of properties for tax reasons.

As I went through my files on unpaid taxes, I saw it was a problem that has hit just about every part of the province, such as St. Catharines, where they have gone through all of this on unpaid taxes. Hawkesbury is another example where one industry moved out and removed about \$700,000 worth of taxes. You went in with an unconditional grant to alleviate that.

In rural townships like Sandwich South, the tax arrears are now around the \$800,000 mark, which is pretty high for a rural area. In North Bay they went through severe problems with taxes in arrears. It is particularly difficult when it is business tax. A number of municipalities are using bailiffs more regularly now than they did before. There are a lot of problems. I have a couple of questions to try to focus the initial discussion. Does your ministry have an idea of how many tax dollars are unpaid at the municipal level across the province?

**Hon. Mr. Bennett:** Yes.

**Mr. Breaugh:** Could you find out what that is?

**Hon. Mr. Bennett:** In total?

**Mr. Breaugh:** In total.

**Hon. Mr. Bennett:** I am not sure if I have it in total or just by each township or municipality or taxing jurisdiction.

**Mr. Breaugh:** If you do have it, could we get it here tonight or subsequently? I have a partial picture built up in the main from newspaper articles.

**Hon. Mr. Bennett:** I do not have it for the whole province. We have it by each taxing jurisdiction. For example, in the city of Toronto it is just short of \$43 million, what they call the 1982 tax arrears, 5.56 per cent of its total taxes. That was as of December 12. Oshawa is \$1.8 million, 2.85 per cent; Burlington is \$2,411,000, 3.98 per cent; Hamilton is \$16,379,000, 8.22 per cent; Niagara Falls is \$5,142,000, 11.86 per cent.

My city, Ottawa, is \$6,290,000, 2.74 per cent of its total taxes. The worst one in that area by default or deferment of taxes is Goulbourn

township, a good portion of which is cottage property, which is \$787,000, 17.45 per cent. In Osgoode township, and I surely cannot tell you what would cause Osgoode to be as high as it is, it is \$286,000, 20.72 per cent. Sudbury is \$4.87 million, 8.44 per cent; Cambridge is \$2,217,000, 5.51 per cent; Waterloo is \$1,307,000, 4.26 per cent.

I found out one thing as I travelled throughout the province and talked to people. Some of it comes right down to the difference in the way municipalities function. I find some municipalities have people out hounding taxpayers to get their money in. Others are more lackadaisical. They send out their dunners and they wait for the money to come in at the end of the year. They advise taxpayers of the legal complications they could get into.

Some, of course, look at the interest rates they are accumulating today on unpaid taxes, which are better than they can get if they deposit the money in the bank. I guess some figure it is better to accumulate it by the security of taxes against properties, which is not so bad in this province.

**Mr. Breagh:** That is right.

**Hon. Mr. Bennett:** I talked to Frank Rooney, the reeve of Iroquois, one day last week, when I was down in Stormont, Dundas and Glengarry doing a little bit of campaigning—which we won tonight—

**Mr. Breagh:** I heard that.

**Hon. Mr. Bennett:** I just did not want you to miss the fact that we were able to succeed in taking it back into the fold. Anyway, Frank Rooney indicated to me clearly, talking with his clerk, that they have a very dedicated group which, on a monthly basis, continues to follow the practice of hounding people to the point that their tax arrears are very minimal.

I do not know whether I can take you to any other communities—

**Mr. Breagh:** I will tell you what I would appreciate. I know you are reading from a list. I would appreciate a copy of the list, if that is possible.

**Hon. Mr. Bennett:** You can have it. There is nothing confidential about this, is there?

**Mr. Breagh:** No, I would not think so.

**Hon. Mr. Bennett:** Let me give you Windsor.

**Mr. Breagh:** Yes. Windsor is a bad one.

**Hon. Mr. Bennett:** Windsor is \$17,377,985, or 12.73 per cent. The interesting thing with that would be to get a breakdown as to what portion

relates to residential, commercial-industrial and business. I am sure there could be a rather interesting figure in there for the business and commercial tax. I am not positive. For example, Kingston is \$3,105,000, which is 9.99 per cent. Why would the city of Kingston—

**Mr. Breagh:** Okay. Let me pursue it this way—

**Hon. Mr. Bennett:** Certainly.

**Mr. Breagh:** I would like to take a little bit of time to pursue this one issue, rather than going after a number of things. For example, when I was on the Oshawa council with Alan Dewar, we used to—

**Hon. Mr. Bennett:** With whom?

**Mr. Breagh:** Alan Dewar, a fellow councillor of mine in Oshawa.

**Hon. Mr. Bennett:** What does he do?

**Mr. Breagh:** I do not know. He got some plush government job at an outrageous rate of pay.

**Hon. Mr. Bennett:** Oh, yes, to look after the residents of that great community.

**Mr. Breagh:** We would go through this process. The city of Oshawa was rather well equipped to collect taxes. It had a very good staff and treasury which kept an eye on this and was in a position to pursue it.

About once a year or so we would sit down and there would be a tax write-off time where your treasury people would come in and tell you that your chances of picking up this tax dollar off a business or a residence was next to nil. They would make certain recommendations in terms of proceeding to put a lien against a property, or occasionally pursuing someone in court.

However, from the municipality's point of view, unlike, say, the federal government's approach with income tax, property tax is something which you really cannot get your hands on before the individual does. So there is a difficulty.

It means that to collect the taxes owed to a municipality you have to take some kind of action. You have to go to a collection agency, or a bailiff, or a court, or your own treasury people will go around banging on doors, in essence. So the collection of taxes is not quite as smooth as, for example, income tax, where most of that is collected at the source and the government gets the money before the worker gets it in a paycheque.

This is an awkward process. My judgement

would be that up until now most municipalities kept an eye on this. Most of them would take the attitude, though, that this is just a liability a municipality has. Every once in a while you are going to have to take your lumps and write off some taxes. Occasionally you would take some legal action, which meant that in the foreseeable future you might get your money back.

The difficulty is that it appears to be rearing its head all over the place and in substantial amounts now. As the minister said, in some situations a business person, for example, will look at what he owes a municipality and say, "They cannot get it, and even if they do get it eventually, the interest rate on that is rather low." Just as a business decision, more or less, he or she decides not to pay his or her taxes.

We seem to be clearing the way for facilitating, in a few ways, what further actions the municipality might take against a property owner who does not pay taxes. This, in a sense, may alleviate portions of the problem, although basically mostly technical aspects of it.

The real nub of the problem is that municipalities cannot get the money and it appears to be happening on a large scale. I know you are aware of it because you are monitoring it.

**9:40 p.m.**

I would like to pursue for a little while what you are considering you might do to resolve the problem. Are you waiting for the recessionary period to decline so that people might get a little looser with their cash? Are you examining the proposition that perhaps municipal property taxes have hit the level where people cannot pay and may take more and more advantage of things like the senior citizens' program, which allows them to take a portion of it as a lien against their property and when those old folk die off and someone sells the property the municipality will get the money? What kind of options are you exploring in that?

**Hon. Mr. Bennett:** I will make one or two observations first of all, because I think we are dealing with a very general field of taxation, municipal responsibilities and so on.

I omitted to mention with respect to your original question, when you talked about municipalities seeking other ways to raise funding, that one of the interesting things as you review what has happened to municipal taxation in relation to income per household is that a smaller percentage of household income is directed towards municipal taxation today than it was 10, 12 or 15 years ago. Very interesting.

At the same time, the percentage of household income going into federal and provincial taxes has continued to escalate, which affords us the opportunity, obviously, to try to increase transfer payments and so on, whether it be in this ministry, Transportation and Communications, Health, or Community and Social Services, back to the municipalities to try to ease the pressures there.

Indeed, the government has gone a long way in trying to help seniors, for example, with the \$500 tax credit refund program, the fuel tax refund, the sales tax refund and various other things. I think this is one of the areas where we have sincerely tried to commit ourselves to helping at the municipal level.

The fact remains, though, on the unpaid taxes that you are referring to at this point, as Mr. Fleming has said and as other people have told me in the ministry over the years, we as a ministry have tracked this problem for the last several years. We were as concerned as any group of people that if the arrears got out of line, pressures for us as a government to move in and take over the management and administration of a municipality could become even greater or could be expected.

The interesting thing is that the arrears in taxes at the municipal level have not varied virtually one iota in that period.

**Mr. Breaugh:** They have not risen that much; right.

**Hon. Mr. Bennett:** Even though the municipalities have maintained, on average, a very acceptable level, one of the things we notice, if you look at the tax situation today, on December 15, is that in some farm communities the unpaid taxes appear to be extremely high. The farm community may be very astute. They take the position that the best day to pay taxes is December 31. They say, "We might as well use all the money we can for as long a period as we can before we give it over to our municipal council." If we were to look at the unpaid municipal taxes for some of the communities we are describing here tonight, we might find a very substantial change on December 31, 1983, or January 1, 1984.

While we trace it and track it, there has been nothing at this point that has alarmed us, nor have we had any real concern by the Association of Municipalities of Ontario or even by individual municipalities on the subject.

I will admit that places like Hawkesbury, which lost the CIP plant, which is a very substantial portion of the tax-yielding position,

did come to us and we made an unconditional grant of \$251,000 plus whatever we had to give as an adjustment factor there, somewhere close to \$300,000, which related to the municipal portion of taxation. There is a difference between the municipal and the school tax. We have been involved with that, which relieved them of a great number of their financial woes of the day, but we have not gone much further.

**Mr. Breaugh:** Let me pursue it just a bit more. I would tend to agree that in many of the municipalities I looked at, my own being one, there does not appear to be a real escalation, or at least not a dramatic escalation, in the amount of money that is in arrears. The difference seems to be that the municipalities are at a financial point where it is important to them to be more conscientious in collecting those taxes. The problems seem to enter the picture when they try to do that, because the means at their disposal to actually get that money are somewhat awkward. I want to know whether you have things that you are contemplating that might facilitate that.

**Hon. Mr. Bennett:** We hope the bill we have in the Legislature at the moment will help or assist in that area. I am not sure what more we can do. We changed the act, as you will recall, a year or two years ago at the request of the municipalities to do two or three things. One was to allow them to send out their tax bill at a better time of the year in terms of their projections. Another was to allow them to get interest on unpaid taxes that was more legitimate and reasonable in the marketplace of the day. They can establish the interest rate at the beginning of the year or whatever period of time they wish to, but they can only do it once and it cannot be any more than one per cent or 1.5 per cent in excess of the prime rate.

We have done all those things to try to facilitate things for the municipalities. Indeed, we have also had the Municipal Action '85 program which my ministry has sponsored. Its purpose was to assist municipalities in upgrading some of the people they had working for them, whether it be in this field of taxation or other areas. We are trying to design new systems that will help municipalities. I say "help them" because it will only be if they wish to take that initiative themselves to go further.

If you have some suggestions as to what you think we might be doing that would further assist the municipalities and also respect to a degree the rights of the taxpayers, I would appreciate hearing them. One of the things we

have to caution ourselves about is sometimes the municipalities become a little rambunctious and get themselves carried away. Then all of a sudden they find themselves in a difficulty and they are back to the minister to find out how to get out of that difficulty.

**Mr. Breaugh:** It is almost the same decision a council is faced with when it gets its report from its treasury department, officer or whoever is doing that for it, about writing the money off, because the council has to make a judgement call.

**Hon. Mr. Bennett:** You mean versus taking over the property?

**Mr. Breaugh:** Yes. Sometimes a municipality really has to make a judgement call of whether someone is legitimately unable to pay his taxes or whether that person is trying to exploit unduly the municipality's good graces. For example, I recall in the last year some interesting discussions with rural people in municipal politics about where this is not often the impersonal staff report analysis that an urban municipality does.

**Hon. Mr. Bennett:** Correct.

**Mr. Breaugh:** But they know the individual and everybody on the council knows the individual and there is almost a personality judgement made as to whether this guy is ever going to be good for this or not. It appears to be a particularly awkward piece of business. I am not sure I am happy with the notion that, for example, you would make it easier if you facilitated the process of slapping a lien against the property.

That kind of legislation causes me a bit of a problem because it does not allow me to make some distinctions. If we are saying we want municipalities to have some facility to slap liens against a whole lot of their ratepayers and then perhaps use that financial power to go and borrow money or to get money with some force, I am really uncomfortable with that notion. If we are saying we are trying to get the scallywags out there who are exploiting the system and get cash out of them, that is in a different ball park. It seems to me there is no good answer to this problem and I do not think there is very much that anybody can do about it. We are in a kind of catch-22 situation.

**Hon. Mr. Bennett:** You touched on a very interesting point when you spoke of the urban areas versus the rural areas, there is no doubt about it. If it is in a rural municipality and taxes are not being paid on the property, the people

know John Brown the farmer down the road and what his difficulties have been in not being able to get enough money for his beef cattle or his pork or whatever else he has.

**Mr. Breough:** Right.

**Hon. Mr. Bennett:** The same degree of intelligence of closeness of associations in the community applies when you come to things such as welfare payments. They know Harry, Mary and everybody else in town.

**Mr. Breough:** They know everybody else's business, perhaps too much sometimes.

**Hon. Mr. Bennett:** Maybe more than they know their own limitations and that is a problem.

Let me suggest to you one of the things that bothers me on occasion. I had a municipality come in to see me back roughly a year ago and it had an industry in its town that owed a lot of money. The industry now has closed up and the factory is still there. All of a sudden, the municipality is going to move in and take over the plant because of the nonpayment of taxes.

I said to the mayor, his council and clerk: "Just a moment. Before you make that kind of a bullheaded move, what is the potential of selling the land?"

"None."

"What do you want it for then?"

"They owe us taxes."

I said, "Read the act very carefully because if you do take it over, you have to manage, maintain and secure the property."

9:50 p.m.

Then all of a sudden, when they had X Y Z thousands in nonpayment of taxes in the first year or two—the first year they were going to have it—the cost of securing the building would have dwarfed what was outstanding, because they had all kinds of things they had to do.

I suggested to them that they would be better off to try to take straight legal action, rather than putting in a claim against the industry. I just could not see where they were going to sell the building. They had no potential customers, no potential industry coming in. It was going to be a further drain on them.

My advice to them was not to activate the permissive clauses under the tax arrears program. They took our advice, and they did not do it. Since then I have not followed the situation to see whether they took any other legal course to try to secure their debt on the property. Council has to use some judgement.

**Mr. Breough:** It is a really perplexing prob-

lem, and it is one that appears to be getting more and more attention.

Really, even four or five years ago I do not think the situation was that much different. However, municipalities were not squeezed to quite the extent they are now, and they are certainly paying a lot more attention to this particular problem.

It is sometimes rather amusing to read the clippings from the clipping service when they come in, when you find out that some council out there has all of a sudden decided to get really tough with people who are in arrears.

It is interesting to watch. There is a kind of initial spurt in which they actually get some action, because they are reminding honest people to pay their property taxes and honest people are responding to it. Then there is a curve in the graph where they get people who are just not going to pay their property taxes for a variety of reasons, and there is not really a great deal that a municipality can do.

Some legal action is possible, some harassment is possible; but the bottom line is that you are not going to get the money.

I would appreciate some numbers on that, because I would like to follow that for a little while and pursue it.

I wanted to touch on a couple of other areas that are related to this. I notice a number of municipalities are going through the process of taking a little concept such as user fees, as many did a few years ago. They are taking it to the point where I think they are getting into a bit of silliness here.

I am not opposed to user fees, where a municipality attempts to run a facility such as a rink or a ball park or whatever, and attempts to recover some of its money. The basic premise is that the people who make use of that facility, as opposed to those who do not, ought to make a further contribution to the matter.

**Hon. Mr. Bennett:** On the same basis as using the transportation scheme.

**Mr. Breough:** Sure. But it does seem to me that some municipalities are looking upon user fees as a brand new source of revenue, almost like a taxation source. They are not relating the cost of the user fee to anything which makes any sense to me.

They appear to have found a new source of getting money out of people, and they are exploiting that to the hilt. It seems to me that shortly we are going to hit a point where, if that trend continues, the whole concept of user fees becomes nonsensical and unfair.

I notice, as I follow what municipal councils do, that there is not a whole lot of rationale behind it. Again I use my own area as an example. Depending on the kind of facility you are collecting fees from, which can range from, say, an arena—which can be a pretty expensive piece of business to try to operate—to a softball field, which can be a relatively cheap facility to run, the user-fee concept is going in there.

As councils make decisions, in my municipality at least and in most of the ones I looked at, they begin the process by trying to establish a relationship on some kind of a per unit basis of what it costs to run that facility. They divide that up into whatever magic number you want and add that on.

Now they are moving around to the other side of the coin, and saying: "Well, now, if it costs \$60 an hour to rent ice in our municipal arena, why does it not cost \$60 an hour to rent a ball park in our municipal arena? Why is it different for a kid playing hockey as opposed to a kid playing ball?" This whole argument is going on. I am wondering whether the ministry has any thoughts on the matter, or is that an area where you are not about to venture?

**Hon. Mr. Bennett:** Let me put it in terms you and I would understand. Those individuals who propose and implement the user fee are elected. If they implement it and have it accepted by their taxpayers, then I suggest they have made the right decision. If they implement it and find themselves on the outside after the next election, they will come to the conclusion it was the wrong decision.

I am not going to try to persuade them to go in one direction or the other. I say in a very kind way that a lot of it comes back to the bureaucrats who give advice to the municipal people. Sometimes we are told by our finance people the fee will derive revenue for us at the municipal level and we implement it. Then at the conclusion of the year we find the cost of administration for collecting the fee was generally speaking just about equal to what we collected and an annoyance to the public. As a result, it was not what you call a "plus political factor." We removed it, in some cases in a great hurry, at least the year before the election.

**Mr. Breaugh:** What got me thinking along these lines was that I read a couple of staff reports from various municipalities where they had taken it to its theoretical limit. It disturbed me somewhat that they had gone well beyond something that was pretty valid. For example, there is a lot of controversy around things such

as lot levies, impost charges and things like that in my area.

The plain truth is, if impost charges and lot levies had not been put into place in the mid-1970s, there would not have been any development. There was no money to build the roads and no money to build the sewers. If those municipalities had not adopted positions of that nature at that time, there would not have been a stick of housing put up in that area. It is as simple as that.

You can certainly argue the relative merits of whether they got carried away with them or not, but I do not think you can deny for a moment that all those developers who are screaming about the impost charges would have had very nice-looking fields out there to this day, because there was no money coming from any level of government other than the municipal level that would allow the services to be provided.

**Hon. Mr. Bennett:** Hold on. We have been pretty generous through the Ministry of the Environment and so on in making sure funding was given for sewers and water systems and main trunk sewers. In the Oshawa area, up through Durham, we spent \$38 million to bring in the master line up to certain—

**Mr. Breaugh:** It is interesting you should bring that up. This young gentleman here, Mr. Dewar, is a good friend of mine. Since you brought up the big—

**Hon. Mr. Bennett:** I did not bring it up. I just raised it as a point.

**Mr. Breaugh:** I remember in our first little trip around the block at the council of the region of Durham, one of the first items on the agenda was the big blue pipe. I seem to recall—

**Hon. Mr. Bennett:** Blue?

**Mr. Breaugh:** We refer to it as the blue pipe. Interjections.

**Mr. Breaugh:** Mr. Dewar was rather heavily involved in the response by the municipality to the province around the blue pipe and the set of negotiations that went on after that. It is true that senior levels of government put large amounts of money into that area, but to say those municipalities at that time would have been able to complete their share of it without the impost charges is quite wrong. No matter how much money you put in, comparatively speaking, places such as Pickering, for example, would have been lost without that.

**Hon. Mr. Bennett:** I was not denying the fact of the impost charges. Neither does the indus-

try, for that matter. The Housing and Urban Development Association of Canada and all its associates have no objections to impost charges. They only ask that they be reasonable and related to the provision of services in the area they are going into. If you recall, we had the Ontario home action program through which we lent very substantial sums of money to your municipality and various others without interest for a five-year period. We have had that deferred. We have now tried to make new arrangements. They have always done very well.

Let me come back to the impost charges. At times it is hard to try to explain the situation to people. If a government federally and provincially provides, say, \$8,000, as we did last year under the Ontario rental construction loan program and the various programs of the federal government to encourage young people in particular to go out and buy a home in Mississauga or wherever it happens to be, we are giving them interest-free money for a period of time. All of a sudden, they discover the impost charge, which must be paid in advance of the building permit or the construction of the home, is just about equal to what we were giving them. They are going to have to carry that \$7,800 or whatever it is for the period of the mortgage life of the unit.

I tried to make the position with the municipalities that there has to be some logical rationale here. It is a little difficult for me to be very supportive of Mississauga. I am saying this with the full knowledge that it will bring some—

**Mr. Breagh:** Hazel will be after you.

10 p.m.

**Hon. Mr. Bennett:** Hazel knows my position. It is a little difficult to sit here and tell how much more you need in impost charges in Mississauga when they are already one of the highest rates in the province. They want to take this in and they want to take that in; they want to make provisions for this and other things that are hard for me to rationalize as a minister reporting for housing, when you criticize me because the price of housing is too high and at the same time municipalities are not doing a great deal to try to reduce it.

That municipality will show at the end of this current year a surplus in lot levies, impost charges—call it whatever you want—of something like \$125 million. In Mississauga alone they have a reserve of \$125 million. It is pretty difficult to try to explain to some young couple who are under tremendous strain to make their payments, pay their taxes and pay their mort-

gage, and here is this municipality sitting and accumulating interest on \$125 million.

Whether the clerk or the treasurer or the mayor tells the council what is in that account I do not know, but I know one thing. A year ago when the mayor of that municipality and her councilmen were standing here in this very room trying to persuade us to expand the opportunity to legislate even further rights to impost charges, I made the remark that at that time the figure in that account, if I recall, was \$115 million or \$116 million, and more than one member of that council looked at me with some degree of shock and disbelief. Sometimes the treasurer does not tell those humble elected people all that goes on.

**Mr. Breagh:** Of course, they do get paid to ask.

**Hon. Mr. Bennett:** They get paid to inform. That was why I thought we hired some of these people. Of course, we would not want to impose on them.

**Mr. Breagh:** Let's not get into a position where we have you giving us information on how civil servants are supposed to inform people such as ministers about what the hell is going on.

**Hon. Mr. Bennett:** Mind you, I have an excellent group. They keep me well advised and briefed—

**Mr. Breagh:** I appreciate that.

**Hon. Mr. Bennett:** —particularly when they think you are going to ask a question.

**Mr. Breagh:** One of the areas where I think it actually might be of some use to have your ministry participate, and where I think there is some common ground that ought to be explored, is that perhaps some thought should be given to exactly what is fair game for an impost charge and what is not.

To put the other side of the argument, I think many municipalities are aware that the front-end cost of allowing housing development, as an example, is the cheap part; the long-run cost, like anything else, is the expensive part. It is just like when people say, "We can build you a rink with Wintario money and this money and that money and a big community collection." The smart people say: "That's fine; that gets the building up. Now tell me where you get the big money to run the operation for the next 20 years." I certainly do not want to see anything hard-nosed in legislative form, but I think it would be useful, for example, to do some studies in that area and to try to get on some common

ground. I hate to support the development industry, but I think it is fair to say there ought to be some common ground in there, even if it is just the Association of Municipalities of Ontario or the ministry saying, "These are the things that are fair game for an impost charge, and these things are a little on the questionable side." That would be a reasonable pursuit.

Are you catching me in agreement with you?

**Hon. Mr. Bennett:** You and I are on the same wavelength, and I do not know how we possibly could be.

**Mr. Breagh:** These things happen.

**Hon. Mr. Bennett:** Only because of our years of experience at the municipal level.

**Mr. Breagh:** That is probably it.

**Hon. Mr. Bennett:** There has got to be some credit given to something. The fact remains that you are absolutely right. Someone said to me, "Why do you not legislate?" You know very well that the moment I legislate we have enough smart people out there who will figure out how to do an end run. I have watched them do the end run in various jurisdictions with superb ability, much to the discredit of the rest of the industry. In other words, the balance of the industry just gets incensed over it.

We are in the process of trying to establish exactly what you said—ground rules: "Here is what we believe are legitimate charges against a lot levy," an impost or whatever you wish to call it. You establish that figure or you establish that lot levy predicated on these ground rules and so as not to put an individual developer into a difficult position. You know exactly what I mean. A municipality says to company A: "This is what we are going to charge you for a lot levy, and beware if you start to oppose it. Life might be just a little more difficult."

I am sure there will be some time when that does not happen.

**Mr. Breagh:** Only every day.

**Hon. Mr. Bennett:** That is right. You and I know what the system happens to be. What I would like to do is to find a way of establishing that situation, that the lot levy or impost has to be approved. I should not say "approved;" it has to go to an OMB general hearing so that the industry, not an individual developer, can make its position clear.

I suppose we are saying that, conventionally, the OMB would have to make a recommendation, which I suppose could be appealed by the municipality or the developer and get back to cabinet, but I would hope not. I think that is the

position we should be in so that there is a common understanding of what lot levies are all about in this province and what their basic reason for existing happens to be.

I say again that the industry, much to its credit, has not opposed lot levies. What it has opposed is cases when they get to \$700 or \$800, or whatever it happens to be, in one or two communities; it just finds that outrageous. I cannot argue with the industry. There is no way I could really come to believe that the whole \$700 to \$800 was necessitated in the servicing of the individual's residence in the new subdivision.

There are certain things I believe have to remain on the general tax roll, certain services that are going to be of value to the whole community, not just to that new subdivision. We have been working on it. Let me warn you that there will not be unanimity or great accolades paid to the minister or ministry for having bought this out. There will be some municipalities that would still like to have it their way.

I think there is a point here. We should find some way to make it fair and equal and an open opportunity for industry either to support or oppose it, but not on an individual basis in the industry, per se.

**Mr. Breagh:** I am not in disagreement, but at some point by some means this does have to be sorted out.

**Hon. Mr. Bennett:** I think it will have to be a policy paper, not legislation.

**Mr. Breagh:** That is reasonable. Could somebody tell me if we have a vote scheduled for 10:15 p.m?

**Mr. Epp:** I understand there are two votes scheduled for 10:15, but that is not etched in stone.

**Hon. Mr. Bennett:** It is not as positive as the results in the election tonight.

**Mr. Epp:** With respect to that by-election, I might tell you the Prime Minister of Canada was in Washington today—

**Hon. Mr. Bennett:** He was?

**Mr. Epp:** —and the subject that he was dealing with was much more important. It will gain much more recognition in the world. The President of the United States wished him Godspeed in his efforts to get peace.

**Hon. Mr. Bennett:** Back to Canada?

**Mr. Epp:** I think that is much more important than what happens—

**Hon. Mr. Bennett:** No one will ever take anything away from the efforts of the Prime

Minister to seek peace in the world, but the election of a Tory in Stormont, Dundas and Glengarry assures us of peace in the political future of this province.

Interjections.

**Hon. Mr. Bennett:** If the Liberals had ever won it, we would never have heard the end of the song and dance.

**Mr. Breaugh:** I do have some other things I want to raise, but I do not think I will be able to stay in this room.

**Hon. Mr. Bennett:** Mike, I want to give you this. There was a question asked by Mr. McClellan the other night relating to—

**Mr. Breaugh:** McClellan is his name.

**Hon. Mr. Bennett:** What did I say? McClellan, okay. As I told you, he owned a bake shop in Ottawa and he was always a very sweet individual to know.

I want to give this answer to the question on subsection 56(1) of the National Housing Act that he asked me. Mr. Epp also made a remark the other night on whether we had ever been in touch with the Canadian Manufacturers' Association in relation to Bill 11. Do you recall it? Let me just give you a little rundown, if I can, quickly.

**Mr. Epp:** I remember that it came before the committee.

**Hon. Mr. Bennett:** We were in touch with them in July 1978; on November 25, 1981; March 26, 1982; March 28, 1982; June 14, 1982; July 13, 1982, and in August and September 1982.

The Canadian manufacturers have a rather consistent position, so it is hard for them to say that they were unaware of what we were doing.

**Mr. Piché:** Are you saying that they should do their research, that they should do their homework?

**Mr. Epp:** I did not say that. I said they had said that—

**Hon. Mr. Bennett:** I did not wish to provoke an argument with you tonight.

**Mr. Epp:** I appreciate that. I just do not understand why they would say that.

**Hon. Mr. Bennett:** After such a winning instalment, why should we get into an argument?

In March 1982, the minister received extensive briefs from the CMA re Bill 11. In April 1982, the minister responded to the CMA, clarifying several points. On June 14, 1982, the

CMA wrote to the minister requesting a further meeting.

**Mr. Epp:** That is the Canadian Manufacturers' Association, not the Canadian Medical Association. Right?

**Hon. Mr. Bennett:** The minister of housing has not had much to do with the medical association of late. One never knows. If it was a dentist, he might do some bridgework or something, but I am not even sure about that.

The Canadian Manufacturers' Association representatives met in July 1982 with the parliamentary assistant and staff. On July 13, 1982, the CMA made presentations to the standing committee on administration of justice on this same subject. In August and September 1982, they held staff level consultations and proposed changes to the bill, excluding the manufacturing industry.

**Mr. Epp:** The one in July 1982 was to the justice committee when Bill 11 was before it.

**Hon. Mr. Bennett:** That is right.

**Mr. Epp:** That is when they were there.

**Hon. Mr. Bennett:** It is tough to say they had not been consulted.

**Mr. Epp:** No, just a moment, I said that when they were before the committee, they said they had not been consulted. One of the items you read there was that in late July 1982 they were before the justice committee dealing with Bill 11.

**Hon. Mr. Bennett:** We dealt with them five times prior to that.

**Mr. Epp:** I am not arguing with that. All I am saying is they said—

**Mr. Breaugh:** No wonder you lost Stormont, Dundas and Glengarry, Herb.

**Hon. Mr. Bennett:** Before we carry this vote, I really want to say very sincerely to the members of the committee that I hope the system we used this year has been somewhat more informative than just running through a whole raft of things that did not really produce a great deal of new knowledge, understanding or appreciation for the ministry programs. We are always open to suggestions and ideas, regardless of whom they flow from, to try to improve the quality of service and expand the programs, if possible, within the financial capabilities not only of the Treasury but the people of the province.

I found this year's opportunity of value with a number of our senior staff participating, both male and female. I hope the members appreciate that the staff we have in the ministry—

people who have worked with me—are fairly well informed not only on the problems of Ontario, but how they relate to the rest of this great country.

If I might say to those who are present with us tonight from the ministry, and those who have been with us over the last five meetings with these estimates, I have appreciated the attendance and service they have rendered not only to myself as the minister, but to the members of the Legislature and, in a very general way, to the people of this province. I thank them for their time and effort over the year and I look forward to 1984 being a very interesting one in the life of municipalities and in the development of the housing industry.

I say to Mr. Breaugh and his colleagues that I appreciate their comments. While we do not always have the same philosophical approach to the problem, we both have a common feeling of trying to improve the system on behalf of 8.5 million people.

To Mr. Epp and his colleagues in the Liberal Party, while again we do not always see the same point of view, philosophically we might be a little closer—I hope Hansard does not report that in too great detail—and I thank Mr. Epp for his comments, suggestions and views on the various aspects of the ministry.

I invite the critics not to hesitate to call me; my parliamentary assistant, Mr. Rotenberg, who spent a short time with us this evening; my deputy minister, Mr. Cornell; my assistant deputy minister, Mr. Fleming, and Mr. Milt Farrow, whom I am sure no one has ever dealt with in the government or in the parties of this province. Milt is going to become my first ambassador to planning development corporations somewhere in this province; I am not sure yet where.

Then we have Len Pitura, who was here relating to community housing, and Bob Riggs, who looks after the important things like the Ontario Mortgage Corp. and the Ontario Land Corp.

To all of my colleagues in the Conservative Party, I would say I appreciate their attendance and interest in what we have been doing as a ministry for the last 12 months and I hope we can continue to improve the programs for all of us.

**Mr. Breaugh:** Let me just say before we do adjourn here that the slight alteration in the way the estimates were conducted was a useful process to go through. I appreciated that for the first time since I have been a member here people actually gave me honest-to-God infor-

mation during the course of the estimates. That is a rare and refreshing approach and I want to congratulate the minister on taking that initiative and I hope he continues to do that.

I found it was not just a pleasant break from the usual wrangling, but there were people who were very interested in the activities that make up their everyday job. They presented us with information which I deemed to be useful because it was given to me succinctly and without a lot of flourish. It was clearly valid information, and they were interested in what they were doing and did a good job at presenting it to the committee.

As a member, I appreciate that and I appreciate the candour with which the minister actually allowed his staff to get in here and say things and give honest-to-God information to members of the Legislature. It was a refreshing change. They did a good job and the minister, oddly enough, is to be congratulated for it.

**Mr. Epp:** I echo those sentiments. Over the last six and a half years that I have been critic and have been with the provincial House, I have had the chance to participate in a number of estimates. I think these have been the most productive.

I might say that to have an open ministry is a good move for you. There is even more room for openness, but I think you are on the right track. It strengthens your own hand as minister. God help us if the politicians' hands are not going to be strengthened both in the province and country. With all due respect to all the civil servants, politicians are the people who are accountable and they are the people who should ultimately make the decisions.

I remember a comment made by my predecessor, Ed Good from Waterloo, who was the municipal affairs critic for a few years. He told me that when Mr. McKeough took over municipal affairs, he said, "Come to my ministry and ask any questions you want," and so forth. I have always had a lot of respect for Mr. McKeough. I thought he was a very strong minister, he was a very secure minister and, therefore, he was in a position to open up the ministry. He felt if there was anything wrong, it might as well be exposed and he could then correct it.

I think by having an open ministry and permitting your staff to answer the questions the way they should be answered, openly and honestly, you are not weakening your own position, but strengthening it. If there are weaknesses, they are going to be found out and

you can deal with them. I want to commend you on that and hope that in the future it becomes even more open and the information becomes more readily accessible to us on both a quantity and a quality basis.

**Mr. Chairman:** Thank you very much. I would also like to congratulate the minister on the format we used this time. We do have a bell

ringing and we must rush through. Shall these votes, including supplementaries, carry?

Votes and supplementary agreed to.

**Mr. Chairman:** That concludes consideration of the estimates of the Ministry of Municipal Affairs and Housing. Thank you very much, gentlemen.

The committee adjourned at 10:17 p.m.

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Bennett, Hon. C. F., Minister of Municipal Affairs and Housing (Ottawa South PC)

Breaugh, M. J. (Oshawa NDP)

Epp, H. A. (Waterloo North L)

Lane, J. G. (Algoma-Manitoulin PC)

Newman, B. (Windsor-Walkerville L)

Piché, R. L. (Cochrane North PC)

Williams, J. R. (Oriole PC)

### **From the Ministry of Municipal Affairs and Housing:**

Close, L. J., Director, Municipal Finance Branch, Municipal Affairs

Fleming, E., Assistant Deputy Minister, Municipal Affairs

The report of the committee's consideration of the annual report of the Workers' Compensation Board dated December 31, 1982, will begin with issue R-1 for 1984.















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